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## SOCIAL SECURITY AMENDMENTS OF 1967

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DECEMBER 11, 1967.—Ordered to be printed

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Mr. MILLS, from the committee of conference,  
submitted the following

### CONFERENCE REPORT

[To accompany H.R. 12080]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 16, 17, 18, 19, 20, 21, 22, 23, 24, 28, 29, 31, 32, 33, 34, 36, 38, 40, 42, 43, 62, 84, 85, 86, 89, 93, 94, 95, 110, 111, 112, 113, 114, 119, 142, 144, 154, 155, 170, 171, 172, 175, 176, 177, 178, 179, 181, 182, 183, 185, 189, 192, 197, 200, 207, 216, 222, 239, 245, 246, 250, 251, 254, 255, 257, 259, 260, 261, 262, 264, 272, 284, 285, 287, 289, 291, 292, 293, and 295.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 44, 45, 46, 47, 48, 49, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 75, 76, 78, 79, 81, 82, 83, 101, 102, 104, 106, 108, 115, 117, 118, 130, 131, 133, 147, 148, 149, 150, 151, 152, 153, 156, 159, 160, 161, 162, 163, 164, 165, 166, 168, 169, 173, 174, 187, 188, 193, 194, 195, 196, 199, 201, 202, 203, 204, 205, 206, 208, 209, 210, 211, 212, 215, 217, 218, 219, 220, 227, 228, 229, 230, 232, 234, 235, 237, 238, 247, 248, 249, 252, 256, 264a, 265, 267, 268, 269, 270, 271, 274, 277, 278, 279, 280, 281, and 283, and agree to the same.

#### Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

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And the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

<i>I</i>		<i>II</i>	<i>III</i>		<i>IV</i>	<i>V</i>
(Primary insurance benefit under 1989 Act, as modified)		(Primary insurance amount under 1965 Act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
<i>If an individual's primary insurance benefit (as determined under subsec. (d)) is—</i>	<i>At least—</i>	<i>Or his primary insurance amount (as determined under subsec. (c)) is—</i>	<i>Or his average monthly wage (as determined under subsec. (b)) is—</i>	<i>At least—</i>	<i>But not more than—</i>	<i>And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—</i>
-----	\$15.60	\$48.00 or less	-----	\$74	\$55.00	\$82.50
\$15.61	16.20	49.00	\$75	76	55.40	83.10
16.21	16.84	50.00	77	78	56.50	84.80
16.85	17.60	51.00	79	80	57.70	86.60
17.61	18.40	52.00	81	81	58.80	88.20
18.41	19.24	53.00	82	83	59.90	89.90
19.25	20.00	54.00	84	85	61.10	91.70
20.01	20.64	55.00	86	87	62.20	93.30
20.65	21.28	56.00	88	89	63.30	95.00
21.29	21.88	57.00	90	90	64.50	96.80
21.89	22.28	58.00	91	92	65.60	98.40
22.29	22.68	59.00	93	94	66.70	100.10
22.69	23.08	60.00	95	96	67.80	101.70
23.09	23.44	61.00	97	97	69.00	103.50
23.45	23.76	62.10	98	99	70.20	105.30
23.77	24.20	63.20	100	101	71.50	107.30
24.21	24.60	64.20	102	102	72.60	108.90
24.61	25.00	65.30	103	104	73.80	110.70
25.01	25.48	66.40	105	106	75.10	112.70
25.49	25.92	67.50	107	107	76.30	114.50
25.93	26.40	68.50	108	109	77.50	116.30
26.41	26.94	69.60	110	113	78.70	118.10
26.95	27.46	70.70	114	118	79.90	119.90
27.47	28.00	71.70	119	122	81.10	121.70
28.01	28.68	72.80	123	127	82.30	123.50
28.69	29.25	73.90	128	132	83.60	125.40
29.26	29.68	74.90	133	136	84.70	127.10
29.69	30.36	76.00	137	141	85.90	128.90
30.37	30.92	77.10	142	146	87.20	130.80
30.93	31.36	78.20	147	150	88.40	132.60
31.37	32.00	79.20	151	155	89.50	134.30
32.01	32.60	80.30	156	160	90.80	136.20
32.61	33.20	81.40	161	164	92.00	138.00
33.21	33.88	82.40	165	169	93.20	139.80
33.89	34.50	83.50	170	174	94.40	141.60
34.51	35.00	84.60	175	178	95.60	143.40
35.01	35.80	85.60	179	183	96.80	146.40
35.81	36.40	86.70	184	188	98.00	150.40
36.41	37.08	87.80	189	193	99.30	154.40
37.09	37.60	88.90	194	197	100.50	157.60
37.61	38.20	89.90	198	202	101.60	161.60
38.21	39.12	91.00	203	207	102.90	165.60
39.13	39.68	92.10	203	211	104.10	168.80
39.69	40.33	93.10	212	216	105.20	172.80
40.34	41.12	94.20	217	221	106.50	176.80
41.13	41.76	95.30	222	225	107.70	180.00
41.77	42.44	96.30	226	230	108.90	184.00
42.45	43.20	97.40	231	235	110.10	188.00

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I		II	III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount under 1965 Act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 209(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—	At least—	But not more than—	At least—	But not more than—	At least—
\$43.21	\$43.76	\$98.50	\$236	\$239	\$111.40	\$191.20
43.77	44.44	99.60	240	244	112.60	195.20
44.45	44.88	100.60	245	249	113.70	199.20
44.89	45.60	101.70	250	253	115.00	202.40
		102.80	254	258	116.20	206.40
		103.80	259	263	117.30	210.40
		104.90	264	267	118.60	213.60
		106.00	268	272	119.80	217.60
		107.00	273	277	121.00	221.60
		108.10	278	281	122.20	224.80
		109.20	282	286	123.40	228.80
		110.30	287	291	124.70	232.80
		111.30	292	295	125.80	236.00
		112.40	296	300	127.10	240.00
		113.50	301	305	128.30	244.00
		114.50	306	309	129.40	247.20
		115.60	310	314	130.70	251.20
		116.70	315	319	131.90	255.20
		117.70	320	323	133.00	258.40
		118.80	324	328	134.30	262.40
		119.90	329	333	135.50	266.40
		121.00	334	337	136.80	269.60
		122.00	338	342	137.90	273.60
		123.10	343	347	139.10	277.60
		124.20	348	351	140.40	280.80
		125.20	352	356	141.50	284.80
		126.30	357	361	142.80	288.80
		127.40	362	365	144.00	292.00
		128.40	366	370	145.10	296.00
		129.50	371	375	146.40	300.00
		130.60	376	379	147.60	303.20
		131.70	380	384	148.90	307.20
		132.70	385	389	150.00	311.20
		133.80	390	393	151.20	314.40
		134.90	394	398	152.50	318.40
		135.90	399	403	153.60	322.40
		137.00	404	407	154.90	325.60
		138.00	408	412	156.00	329.60
		139.00	413	417	157.10	333.60
		140.00	418	421	158.20	336.80
		141.00	422	426	159.40	340.80
		142.00	427	431	160.50	344.80
		143.00	432	436	161.60	348.80
		144.00	437	440	162.80	350.40
		145.00	441	445	163.90	352.40
		146.00	446	450	165.00	354.40
		147.00	451	454	166.20	356.00
		148.00	455	459	167.30	358.00
		149.00	460	464	168.40	360.00
		150.00	465	468	169.50	361.60
		151.00	469	473	170.70	363.60
		152.00	474	478	171.80	365.60
		153.00	479	482	172.90	367.20
		154.00	483	487	174.10	369.20
		155.00	488	492	175.20	371.20
		156.00	493	496	176.30	372.80
		157.00	497	501	177.50	374.80
		158.00	502	506	178.60	376.80
		159.00	507	510	179.70	378.40
		160.00	511	515	180.80	380.40
		161.00	516	520	182.00	382.40
		162.00	521	524	183.10	384.00
		163.00	525	529	184.20	386.00
		164.00	530	534	185.40	388.00
		165.00	535	538	186.50	389.60
		166.00	539	543	187.60	391.60

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I (Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount under 1965 Act)	III (Average monthly wage)	IV (Primary insurance amount)	V (Maximum family benefits)	
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—	The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	
At least—	But not more than—	At least—	But not more than—			
		\$167.00 168.00	\$544 549 554 557 561 564 568 571 575 578 582 585 589 592 596 599 603 606 610 613 617 621 624 628 631 635 638 642 645 649	\$548 553 556 560 563 567 570 574 577 581 584 588 591 595 598 602 605 609 612 616 620 623 627 630 634 637 641 644 648 650	\$188.80 189.90 191.00 192.00 193.00 194.00 195.00 196.00 197.00 198.00 199.00 200.00 201.00 202.00 203.00 204.00 205.00 206.00 207.00 208.00 209.00 210.00 211.00 212.00 213.00 214.00 215.00 216.00 217.00 218.00	\$393.60 395.60 396.80 398.40 399.60 401.20 402.40 404.00 405.20 406.80 408.00 409.60 410.80 412.40 415.60 415.20 416.40 418.00 419.20 420.80 422.40 423.60 425.20 426.40 428.00 429.20 430.80 432.00 433.60 434.40

And the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *the month of February 1968*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *February 1968, for each such person for February 1968*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *113*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *the month of February 1968*; ; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *February 1968*, ; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *entitled, after January 1968*, ; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *after January 1968*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *month of February 1968, or who died before such month*; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *after January 1968*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *of January 1968*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *month of February 1968, or who died in such month*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with amendments as follow:

Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 26, lines 8 and 9, of the House engrossed bill, strike out "the second month following the month in which this Act is enacted" and insert the following: *the month of February 1968*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment.

On page 29, line 18, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 30, line 5, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 30, line 9, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 30, line 13, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 30, line 19, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 31, line 5, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 31, line 9, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 31, line 12, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 31, line 17, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 31, line 25, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 32, line 3, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

On page 32, line 9, of the House engrossed bill, strike out "\$7,600" and insert the following: *\$7,800*

And the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 33, line 5, of the House engrossed bill, strike out "1966" and insert the following: *1967*

On page 33, line 6, of the House engrossed bill, strike out "5.9" and insert the following: *5.8*

On page 34, line 4, of the House engrossed bill, strike out "years 1967 and 1968, the rate shall be 3.9" and insert the following: *year 1968, the rate shall be 3.8*

On page 34, line 19, of the House engrossed bill, strike out "years 1967 and 1968, the rate shall be 3.9" and insert the following: *year 1968, the rate shall be 3.8*

On page 35 of the House engrossed bill, strike out lines 9 through 16 and insert the following:

*(1) in the case of any taxable year beginning after December 31, 1967, and before January 1, 1973, the tax shall be equal to 0.60 percent of the amount of the self-employment income for such taxable year;*

On page 35, line 17, of the House engrossed bill, strike out "(3)" and insert the following: (2)

On page 35, line 21, of the House engrossed bill, strike out "(4)" and insert the following: (3)

On page 36, line 1, of the House engrossed bill, strike out "(5)" and insert the following: (4)

On page 36, line 5, of the House engrossed bill, strike out "(6)" and insert the following: (5)

On page 36 of the House engrossed bill, strike out lines 13 through 18 and insert the following:

*(1) with respect to wages received during the calendar years 1968, 1969, 1970, 1971, and 1972, the rate shall be 0.60 percent;*

On page 36, line 19, of the House engrossed bill, strike out "(3)" and insert the following: (2)

On page 36, line 22, of the House engrossed bill, strike out "(4)" and insert the following: (3)

On page 36, line 25, of the House engrossed bill, strike out "(5)" and insert the following: (4)

On page 37, line 3, of the House engrossed bill, strike out "(6)" and insert the following: (5)

On page 37 of the House engrossed bill, strike out lines 9 through 14 and insert the following:

*(1) with respect to wages paid during the calendar years 1968, 1969, 1970, 1971, and 1972, the rate shall be 0.60 percent;*

On page 37, line 15, of the House engrossed bill, strike out "(3)" and insert the following: (2)

On page 37, line 18, of the House engrossed bill, strike out "(4)" and insert the following: (3)

On page 37, line 21, of the House engrossed bill, strike out "(5)" and insert the following: (4)

On page 37, line 24, of the House engrossed bill, strike out "(6)" and insert the following: (5)

And the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with amendments as follows:

On page 43, line 6, of the Senate engrossed amendments, strike out "112" and insert the following: 111

On page 44, line 25, of the Senate engrossed amendments, strike out "time specified in subparagraph (E)" and insert the following: *then specified time period*

On page 45, line 10, of the Senate engrossed amendments, strike out "made." and insert the following: *made.*"

On page 45 of the Senate engrossed amendments, strike out lines 11 through 16 and insert the following:

*(b) No monthly insurance benefits under title II of the Social Security Act shall be payable or increased for any month before the month in which this Act is enacted by reason of amendments made by subsection (a).*

And the Senate agree to the same

**Amendment numbered 41:**

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with amendments as follows:

On page 47, line 3, of the Senate engrossed amendments, strike out "114" and insert the following: 112

On page, 47 lines 3 and 4, of the Senate engrossed amendments, strike out "202(d)(9) of the Social Security Act" and insert the following: *202(d)(8) of the Social Security Act (as redesignated by section 151(c) of this Act)*

On page 47, line 23, of the Senate engrossed amendments, strike out "February" and insert the following: *January*

And the Senate agree to the same.

**Amendment numbered 50:**

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with amendments as follows:

On page 50, line 4, of the Senate engrossed amendments, after "POLICEMEN" insert the following: ; *VALIDATION OF CERTAIN PAST COVERAGE IN THE STATE OF NEBRASKA*; and the Senate agree to the same.

**Amendment numbered 51:**

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

On page 51, line 21, of the Senate engrossed amendments, strike out "system." and insert the following: *system.*"; and the Senate agree to the same.

**Amendment numbered 52:**

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

On page 52, line 9, of the Senate engrossed amendments, strike out "such Act" and insert the following: *the Social Security Act*; and the Senate agree to the same.

**Amendment numbered 53:**

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment as follows:

On page 55, line 17, of the Senate engrossed amendments, strike out "such Act" and insert the following: *the Social Security Act*; and the Senate agree to the same.

## Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with amendments as follow:

On page 57, line 10, of the Senate engrossed amendments, strike out "(I)".

On page 57, line 11, of the Senate engrossed amendments, strike out "(II)".

On page 57, line 16, of the Senate engrossed amendments, after "1954" insert the following: *(relating to definition of employment)*

On page 58, line 5, of the Senate engrossed amendments, strike out "(I)".

On page 58, line 6, of the Senate engrossed amendments, strike out "(II)".

And the Senate agree to the same.

## Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with amendments as follows:

On page 58, line 18, of the Senate engrossed amendments, after "Massachusetts" insert the following: *to modify its agreement entered into under section 218 of such Act so as*

On page 58, line 19, of the Senate engrossed amendments, strike out "to be".

On page 58, line 21, of the Senate engrossed amendments, strike out "filing with him of such notice" and insert the following: *date on which such agreement is so modified*

On page 58, line 23, of the Senate engrossed amendments, strike out "has been" and insert the following: *is*

And the Senate agree to the same.

## Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows:

Omit the matter proposed to be stricken out by the Senate amendment, and on page 57, line 11, of the House engrossed bill, immediately before the comma insert the following: *as an outpatient*

And the Senate agree to the same.

## Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment as follows:

On page 63 of the Senate engrossed amendments, strike out lines 13 through 16 and insert the following:

*"(A) if furnished by a clinic or rehabilitation agency, or by others under arrangements with such clinic or agency, unless such clinic or rehabilitation agency—*

And the Senate agree to the same.

## Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows:

On page 68 of the Senate engrossed amendments, strike out lines 12 through 17 and insert the following:

*(b) The second sentence of section 1813(a)(1) of such Act is amended to read as follows: "Such amount shall be further reduced by a coinsurance amount equal to—*

*"(A) one-fourth of the inpatient hospital deductible for each day (before the 91st day) on which such individual is furnished such services during such spell of illness after such services have been furnished to him for 60 days during such spell; and*

*"(B) one-half of the inpatient hospital deductible for each day (before the day following the last day for which such individual is entitled under section 1812(a)(1) to have payment made on his behalf for inpatient hospital services during such spell of illness) on which such individual is furnished such services during such spell of illness after such services have been furnished to him for 90 days during such spell;*

*except that the reduction under this sentence for any day shall not exceed the charges imposed for that day with respect to such individual for such services (and for this purpose, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charges so imposed)."*

And the Senate agree to the same.

## Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with amendments as follows:

On page 84, line 6, of the Senate engrossed amendments, strike out "145" and insert the following: *142*

On page 84, line 17, of the Senate engrossed amendments, strike out "such part A" and insert the following: *part A of title XVIII of such Act*

On page 85, lines 7 and 8, of the Senate engrossed amendments, strike out "such part A" and insert the following: *part A of title XVIII of such Act*

On page 85, line 15, of the Senate engrossed amendments, strike out "defined" and insert the following: *described*

On page 86, line 15, of the Senate engrossed amendments, after "4)" insert the following: *of the Social Security Act*

And the Senate agree to the same.

## Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with amendments as follows:

On page 88, line 5, of the Senate engrossed amendments, strike out "146" and insert the following: *143*

On page 89, line 1, of the Senate engrossed amendments, after "1814(d)" insert the following: *of such Act*

And the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows:

On page 94, line 16, of the Senate engrossed amendments, strike out "148" and insert the following: 144; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with amendments as follows:

On page 95, line 22, of the Senate engrossed amendments, strike out "149" and insert the following: 145

On page 97, line 16, of the Senate engrossed amendments, strike out "promulgated." and insert the following: *promulgated.*"

On page 97 of the Senate engrossed amendments, strike out line 17 and all that follows down through page 99, line 2.

On page 99, line 3, of the Senate engrossed amendments, strike out "(f)(1)" and insert the following: (e)

On page 99 of the Senate engrossed amendments, strike out lines 8 through 17.

And the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment as follows:

On page 99, line 22, of the Senate engrossed amendments, strike out "149a" and insert the following: 146; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 97:

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 98:

That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment as follows:

On page 103, line 10, of the Senate engrossed amendments, strike out "SEC. 204."

And the Senate agree to the same.

Amendment numbered 99:

That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows:

On page 105, line 3, of the Senate engrossed amendments, after "payment" insert the following: *for any month*

And the Senate agree to the same.

Amendment numbered 100:

That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with amendments as follows:

On page 105, line 22, of the Senate engrossed amendments, after "if any," insert the following: *who is*

On page 107, lines 2 and 3, of the Senate engrossed amendments, strike out "if each such person dies before the payment due" and insert the following: *if each person who meets such requirements dies before the payment due him*

On page 107, line 18, of the Senate engrossed amendments, after "due" insert the following: *him*

On page 107, line 21, of the Senate engrossed amendments, after the semicolon insert the following: *or*

On page 108, line 2, of the Senate engrossed amendments, strike out "any;" and insert the following: *any.*"

On page 108 of the Senate engrossed amendments, strike out lines 3 through 10.

On page 108, lines 18 through 20, of the Senate engrossed amendments, strike out "or under section 144 of the Social Security Amendments of 1967".

On page 108, line 22, of the Senate engrossed amendments, after "due" insert the following: *him under this title*

On page 109, line 1, of the Senate engrossed amendments, strike out "before such individual's death" and insert the following: *(before or after such individual's death)*

On page 109, line 9, of the Senate engrossed amendments, after "if any," insert the following: *who is*

On page 110, lines 14 and 15, of the Senate engrossed amendments, strike out "if each such person dies before the payment due" and insert the following: *if each person who meets such requirements dies before the payment due him*

On page 110, line 20, of the Senate engrossed amendments, strike out "paragraph" and insert the following: *paragraph*

On page 111, line 6, of the Senate engrossed amendments, after "due" insert the following: *him*

On page 111, line 9, of the Senate engrossed amendments, after the semicolon insert the following: *or*

On page 111, line 15, of the Senate engrossed amendments, strike out "any;" and insert the following: *any.*"

On page 111 of the Senate engrossed amendments, strike out lines 16 through 23.

And the Senate agree to the same.

Amendment numbered 103:

That the House recede from its disagreement to the amendment of the Senate numbered 103, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *February 1968*; and the Senate agree to the same.

Amendment numbered 105:

That the House recede from its disagreement to the amendment of the Senate numbered 105, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 107:

That the House recede from its disagreement to the amendment of the Senate numbered 107, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months after January 1968*; and the Senate agree to the same.

Amendment numbered 109:

That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with amendments as follows:

Restore the matter proposed to be stricken out by the Senate amendment.

On page 88, line 7, of the House engrossed bill, strike out "general" and insert the following: *immediate*

On page 88, line 9, of the House engrossed bill, after the period insert the following:

*For purposes of the preceding sentence (with respect to any individual), 'work which exists in the national economy' means work which exists in significant numbers either in the region where such individual lives or in several regions of the country.*

And the Senate agree to the same.

Amendment numbered 116:

That the House recede from its disagreement to the amendment of the Senate numbered 116, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *January 1968*; and the Senate agree to the same.

Amendment numbered 120:

That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment insert the following: *162*; and the Senate agree to the same.

## Amendment numbered 121:

That the House recede from its disagreement to the amendment of the Senate numbered 121, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *months beginning after June 30, 1968*; and the Senate agree to the same.

## Amendment numbered 122:

That the House recede from its disagreement to the amendment of the Senate numbered 122, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *after June 30, 1968*; and the Senate agree to the same.

## Amendment numbered 123:

That the House recede from its disagreement to the amendment of the Senate numbered 123, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *are, on June 30, 1968, being*; and the Senate agree to the same.

## Amendment numbered 124:

That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment insert the following:

## BENEFITS FOR CERTAIN CHILDREN

SEC. 163. (a)(1) The last sentence of section 203(a) of the Social Security Act is amended to read as follows: "Whenever a reduction is made under this subsection in the total of monthly benefits to which individuals are entitled for any month on the basis of the wages and self-employment income of an insured individual, each such benefit other than the old-age or disability insurance benefit shall be proportionately decreased; except that if such total of benefits for such month includes any benefit or benefits under section 202(d) which are payable solely by reason of section 216(h)(3), the reduction shall be first applied to reduce (proportionately where there is more than one benefit so payable) the benefits so payable (but not below zero)."

(2) The amendment made by paragraph (1) shall apply only with respect to monthly benefits payable under title II of the Social Security Act with respect to individuals who become entitled to benefits under section 202(d) of such Act solely by reason of section 216(h)(3) of such Act in or after January 1968 (but without regard to section 202(j)(1) of such Act). The provisions of section 170 of this Act shall not apply with respect to any such individual.

## (b) Where—

(1) one or more persons were entitled (without the application of section 202(j)(1) of the Social Security Act) to monthly benefits

under section 202 or 223 of such Act for January 1968 on the basis of the wages and self-employment income of an individual, and

(2) one or more persons became entitled to monthly benefits before January 1968 under section 202(d) of such Act by reason of section 216(h)(3) of such Act (but without regard to section 202(j)(1)), on the basis of such wages and self-employment income and are so entitled for January 1968, and

(3) the total of benefits to which all persons are entitled under such section 202 or 223 of such Act on the basis of such wages and self-employment for January 1968 are reduced by reason of section 203(a) of such Act, as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced),

then the amount of the benefit to which each such person referred to in paragraph (1) above (but not including persons referred to in paragraph (2) above) is entitled for months after January 1968 shall be increased, after the application of such section 203(a), to the amount it would have been if the person or persons referred to in paragraph (2) were not entitled to a benefit referred to in such paragraph (2).

And the Senate agree to the same.

**Amendment numbered 125:**

That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: 164; and the Senate agree to the same.

**Amendment numbered 126:**

That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment as follows:

On page 116, line 14, of the Senate engrossed amendments, strike out "166" and insert the following: 165; and the Senate agree to the same.

**Amendment numbered 127:**

That the House recede from its disagreement to the amendment of the Senate numbered 127, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: 166; and the Senate agree to the same.

**Amendment numbered 128:**

That the House recede from its disagreement to the amendment of the Senate numbered 128, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: 167; and the Senate agree to the same.

**Amendment numbered 129:**

That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: 168; and the Senate agree to the same.

**Amendment numbered 132:**

That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *169*; and the Senate agree to the same.

**Amendment numbered 134:**

That the House recede from its disagreement to the amendment of the Senate numbered 134, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *170*; and the Senate agree to the same.

**Amendment numbered 135:**

That the House recede from its disagreement to the amendment of the Senate numbered 135, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *January 1968*; and the Senate agree to the same.

**Amendment numbered 136:**

That the House recede from its disagreement to the amendment of the Senate numbered 136, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *February 1968*; and the Senate agree to the same.

**Amendment numbered 137:**

That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *104, 112, 150, 151, 156, and 157 of this Act, and*; and the Senate agree to the same.

**Amendment numbered 138:**

That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *February 1968*; and the Senate agree to the same.

**Amendment numbered 139:**

That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *January 1968*; and the Senate agree to the same.

**Amendment numbered 140:**

That the House recede from its disagreement to the amendment of the Senate numbered 140, and agree to the same with amendments as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 105, line 18, of the House engrossed bill, strike out "(a)". And the Senate agree to the same.

**Amendment numbered 141:**

That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment as follows:

On page 119, line 12, of the Senate engrossed amendments, strike out "172" and insert the following: 171; and the Senate agree to the same.

**Amendment numbered 143:**

That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

**DEFINITION OF BLINDNESS**

*SEC. 172. (a) The first sentence of section 216(i)(1) of the Social Security Act is amended by striking out "(B)" and all that follows and inserting in lieu thereof "(B) blindness; and the term 'blindness' means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens."*

*(b) The second sentence of section 216(i)(1) of such Act is amended to read as follows: "An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less."*

*(c) The amendments made by this section shall be effective with respect to benefits under section 223 of the Social Security Act for months after January 1968 based on applications filed after the date of enactment of this Act and with respect to disability determinations under section 216(i) of the Social Security Act based on applications filed after the date of enactment of this Act.*

And the Senate agree to the same.

**Amendment numbered 145:**

That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment as follows:

On page 129, line 5, of the Senate engrossed amendments, strike out "176" and insert the following: 173; and the Senate agree to the same.

Amendment numbered 146:

That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment as follows:

On page 130, lines 19 and 20, strike out "relative, child," and insert the following: *child, relative,;* and the Senate agree to the same.

Amendment numbered 157:

That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment as follows:

On page 132, line 21, and page 133, lines 1 and 2, of the Senate engrossed amendments, strike out "services which are furnished pursuant to clauses (14) and (15) of section 402(a) and which" and insert the following: *any of the services described in clauses (14) and (15) of section 402(a) which;* and the Senate agree to the same.

Amendment numbered 158:

That the House recede from its disagreement to the amendment of the Senate numbered 158, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

(1) (A) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (B), (C), and (D), respectively,

(B) by striking out "subparagraph (E)" in subparagraph (C) (as so redesignated) and inserting in lieu thereof "subparagraph (D)", and

(C) by striking out "subparagraph (D)" in the matter following subparagraph (D) (as so redesignated) and inserting in lieu thereof "subparagraph (C)";

And the Senate agree to the same.

Amendment numbered 167:

That the House recede from its disagreement to the amendment of the Senate numbered 167, and agree to the same with amendments as follows:

On page 134, line 18, of the Senate engrossed amendments, after "that" insert the following: (A)

On page 135 of the Senate engrossed amendments, strike out lines 1 through 5 and insert the following:

*services developed pursuant to part B of title IV of the Social Security Act, the provisions of section 402(a)(15)(F) of such Act (added thereto by subsection (a) of this section) shall not apply with respect to such agencies but only so long as such agencies of the State are different, and (B) if on such date the local agency administering the plan of a State under part A of title IV of such Act in a political subdivision is different from the local agency in such subdivision administering the State's plan for child-welfare services developed pursuant to part B of title IV of such Act, the provisions of such section 402(a)(15)(F) shall not apply with respect to such agencies but only so long as such local agencies are different.*

And the Senate agree to the same.

## Amendment numbered 180:

That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment as follows:

Insert the matter proposed to be inserted by the Senate amendment, and on page 118, line 25, of the House engrossed bill, strike out "section" and insert the following: *Act; And the Senate agree to the same.*

## Amendment number 184:

That the House recede from its disagreement to the amendment of the Senate numbered 184, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*(c) Effective with respect to quarters beginning after June 30, 1968, in determining the need of individuals claiming aid under a State plan approved under part A of title IV of the Social Security Act, the State shall apply the provisions of such part notwithstanding any provisions of law (other than such Act) requiring the State to disregard earned income of such individuals in determining need under such State plan.*

And the Senate agree to the same.

## Amendment numbered 186:

That the House recede from its disagreement to the amendment of the Senate numbered 186, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

*"(C)(i) such father has 6 or more quarters of work (as defined in subsection (d)(1)) in any 13-calendar-quarter period ending within one year prior to the application for such aid or (ii) he received unemployment compensation under an unemployment compensation law of a State or of the United States, or he was qualified (within the meaning of subsection (d)(3)) for unemployment compensation under the unemployment compensation law of the State, within one year prior to the application for such aid; and*

*"(2) provides—*

*"(A) for such assurances as will satisfy the Secretary that fathers of dependent children as defined in subsection (a) will be referred to the Secretary of Labor as provided in section 402(a)(19) within thirty days after receipt of aid with respect to such children;*

And the Senate agree to the same.

## Amendment numbered 190:

That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and on page 122 of the House engrossed bill, after line 2 insert the following:

*"(i) is not currently registered with the public employment offices in the State, or*

*"(ii) receives unemployment compensation under an unemployment compensation law of a State or of the United States.*

And the Senate agree to the same.

Amendment numbered 191:

That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment as follows:

Strike out the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*"(c) Notwithstanding any other provisions of this section, expenditures pursuant to this section shall be excluded from aid to families with dependent children (A) where such expenditures are made under the plan with respect to any dependent child as defined in subsection (a), (i) for any part of the 30-day period referred to in subparagraph (A) of subsection (b)(1), or (ii) for any period prior to the time when the father satisfies subparagraph (B) of such subsection, and (B) if, and for as long as, no action is taken (after the 30-day period referred to in subparagraph (A) of subsection (b)(2)), under the program therein specified, to refer such father to the Secretary of Labor pursuant to section 402 (a)(19).*

*"(d) For purposes of this section—*

*"(1) the term 'quarter of work' with respect to any individual means a calendar quarter in which such individual received earned income of not less than \$50 (or which is a 'quarter of coverage' as defined in section 213(a)(2)), or in which such individual participated in a community work and training program under section 409 or any other work and training program subject to the limitations in section 409, or the work incentive program established under part C;*

*"(2) the term 'calendar quarter' means a period of 3 consecutive calendar months ending on March 31, June 30, September 30, or December 31; and*

*"(3) an individual shall be deemed qualified for unemployment compensation under the State's unemployment compensation law if—*

*"(A) he would have been eligible to receive such unemployment compensation upon filing application, or*

*"(B) he performed work not covered under such law and such work, if it had been covered, would (together with any covered work he performed) have made him eligible to receive such unemployment compensation upon filing application."*

*(b) In the case of an application for aid to families with dependent children under a State plan approved under section 402 of such Act with respect to a dependent child as defined in section 407(a) of such Act (as amended by this section) within 6 months after the effective date of the modification of such State plan which provides for payments in accordance with section 407 of such Act as so amended, the father of such child shall be deemed to meet the requirements of subparagraph (C) of section 407(b)(1) of such Act (as so amended) if at any time after April 1961 and prior to the date of application such father met the requirements of such subparagraph (C). For purposes of the preceding sentence, an individual receiving aid to families with dependent children (under section 407 of the Social Security Act as in effect before the enactment of this Act) for the last month ending before the effective date of the modification referred*

to in such sentence shall be deemed to have filed application for such aid under such section 407 (as amended by this section) on the day after such effective date.

And the Senate agree to the same.

Amendment numbered 198:

That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with amendments as follows:

On page 150, line 16, of the Senate engrossed amendments, strike out "\$20 per week" and insert the following: *\$30 per month, payable in such amounts and at such times as the Secretary prescribes*

On page 150, line 19, of the Senate engrossed amendments, strike out "90" and insert the following: *80*

On page 154, line 10, of the Senate engrossed amendments, strike out "10" and insert the following: *20*

On page 154, line 24, of the Senate engrossed amendments, strike out "10" and insert the following: *20*

On page 155, line 2, of the Senate engrossed amendments, strike out "10" and insert the following: *20*

On page 159, line 4, of the Senate engrossed amendments, before "ad—" insert the following: *or*

On page 159, line 5, of the Senate engrossed amendments, strike out "or".

On page 159, line 9, of the Senate engrossed amendments, strike out "or".

On page 159, line 14, of the Senate engrossed amendments, strike out ", or" and insert a semicolon.

On page 159 of the Senate engrossed amendments, strike out line 15 and all that follows down through page 160, line 5.

On page 160, line 14, of the Senate engrossed amendments, strike out "10" and insert the following: *20*

On page 162, line 4, of the Senate engrossed amendments, after "(ii)" insert the following: *and section 407(b)(2)*

On page 162 of the Senate engrossed amendments, strike out lines 16 through 20 and insert the following:

*"(i) if the relative makes such refusal, such relative's needs shall not be taken into account in making the determination under clause (7), and aid for any dependent child in the family in the form of payments of the type described in section 406(b)(2) (which in such a case shall be without regard to clauses (A) through (E) thereof) or section 408 will be made;*

On page 164, line 5, of the Senate engrossed amendments, after "State)" insert the following: *, but not before April 1, 1968,*

On page 164 of the Senate engrossed amendments, strike out lines 10 through 12 and insert the following: *beginning after June 30, 1968.*

On page 165, line 1, of the Senate engrossed amendments, strike out "202(b)" and insert the following: *202(a)(2)*

And the Senate agree to the same.

## Amendment numbered 213:

That the House recede from its disagreement to the amendment of the Senate numbered 213, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*(b) Section 403(a) of such Act (as amended by the preceding provisions of this Act) is amended by—*

*(1) striking out "5" in the sentence immediately following paragraph (5) and inserting in lieu thereof "10";*

*(2) adding at the end thereof the following new sentence "In computing such 10 percent, there shall not be taken into account individuals with respect to whom such payments are made for any month in accordance with section 402(a)(19)(F)."*

And the Senate agree to the same.

## Amendment numbered 214:

That the House recede from its disagreement to the amendment of the Senate numbered 214, and agree to the same with an amendment as follows:

Restore the matter proposed to be stricken out by the Senate amendment, and on page 141 of the House engrossed bill strike out lines 1 through 13 and insert the following:

*"(d) Notwithstanding any other provision of this Act, the average monthly number of dependent children under the age of 18 who have been deprived of parental support or care by reason of the continued absence from the home of a parent with respect to whom payments under this section may be made to a State for any calendar quarter after June 30, 1968, shall not exceed the number which bears the same ratio to the total population of such State under the age of 18 on the first day of the year in which such quarter falls as the average monthly number of such dependent children under the age of 18 with respect to whom payments under this section were made to such State for the calendar quarter beginning January 1, 1968, bore to the total population of such State under the age of 18 on that date."*

And the Senate agree to the same.

## Amendment numbered 221:

That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment as follows:

On page 167, line 17, of the Senate engrossed amendments, strike out "209" and insert the following: 210; and the Senate agree to the same.

## Amendment numbered 223:

That the House recede from its disagreement to the amendment of the Senate numbered 223, and agree to the same with amendments as follows:

On page 173, lines 12 and 13, of the Senate engrossed amendments, strike out ";" ESTABLISHMENT AND COLLECTION OF LIABILITY TO UNITED STATES".

On page 175, line 10, of the Senate engrossed amendments, strike out "State;" and insert the following: *State*".

On page 175 of the Senate engrossed amendments, strike out line 11 and all that follows through line 19 on page 181 and insert the following:

(b) *Title IV of such Act is amended by adding after section 409 the following new section:*

***"ASSISTANCE BY INTERNAL REVENUE SERVICE IN LOCATING PARENTS***

*"SEC. 410. (a) Upon receiving a report from a State agency made pursuant to section 402(a)(21), the Secretary shall furnish to the Secretary of the Treasury or his delegate the names and social security account numbers of the parents contained in such report, and the name of the State agency which submitted such report. The Secretary of the Treasury or his delegate shall endeavor to ascertain the address of each such parent from the master files of the Internal Revenue Service, and shall furnish any address so ascertained to the State agency which submitted such report.*

*"(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of subsection (a). The Secretary shall transfer to the Secretary of the Treasury from time to time sufficient amounts out of the monies appropriated pursuant to this subsection to enable him to perform his functions under subsection (a)."*

And the Senate agree to the same.

Amendment numbered 224:

That the House recede from its disagreement to the amendment of the Senate numbered 224, and agree to the same with an amendment as follows:

On page 181, line 22, of the Senate engrossed amendments, strike out "section (3)(a)(4)" and insert the following: *section 3(a)(4);* and the Senate agree to the same.

Amendment numbered 225:

That the House recede from its disagreement to the amendment of the Senate numbered 225, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

***AUTHORITY TO DISREGARD ADDITIONAL INCOME OF RECIPIENTS OF PUBLIC ASSISTANCE***

*SEC. 213. (a)(1) Section 2(a)(10)(A)(i) of the Social Security Act is amended by striking out "not more than \$5" and inserting in lieu thereof "not more than \$7.50".*

*(2) Section 1002(a)(8)(C) of such Act is amended by striking out "not more than \$5" and inserting in lieu thereof "not more than \$7.50".*

*(3) Section 1402(a)(8)(A) of such Act is amended by striking out "not more than \$5" and inserting in lieu thereof "not more than \$7.50".*

*(4) Section 1604(a)(14)(D) of such Act is amended by striking out "not more than \$5" and inserting in lieu thereof "not more than \$7.50".*

*(b) Section 402(a) of such Act is amended by inserting before the period at the end thereof the following: " ; and (23) provide that by July 1, 1969, the amounts used by the State to determine the needs of individuals will have been adjusted to reflect fully changes in living costs since such amounts*

were established, and any maximums that the State imposes on the amount of aid paid to families will have been proportionately adjusted".

And the Senate agree to the same.

Amendment numbered 226:

That the House recede from its disagreement to the amendment of the Senate numbered 226, and agree to the same with amendments as follow:

Restore the matter proposed to be stricken out by the Senate amendment, and omit the matter proposed to be inserted by the Senate amendment.

On page 143, line 7, of the House engrossed bill, strike out "Payment" and insert the following: *Except as provided in paragraph (4), payment*

On page 143, line 13, of the House engrossed bill, strike out "in subparagraph (C) and".

On page 143, line 21, of the House engrossed bill, strike out "section 402" and insert the following: *part A of title IV*

On page 144 of the House engrossed bill, strike out lines 3 through 12.

On page 144, line 13, of the House engrossed bill, strike out "(D)" and insert the following: *(C)*

On page 144, line 14, of the House engrossed bill, strike out "or (C)".

On page 144, line 16, of the House engrossed bill, strike out "by" and insert the following: *to*

On page 145, line 2, of the House engrossed bill, strike out "section 402" and insert the following: *part A of title IV*

On page 145 of the House engrossed bill, strike out lines 10 through 20 and insert the following:

*"(4) The limitations on payment imposed by the preceding provisions of this subsection shall not apply with respect to any amount expended by a State as medical assistance for any individual who, at the time of the provision of the medical assistance giving rise to such expenditure—*

*"(A) is a recipient of aid or assistance under a plan of such State which is approved under title I, X, XIV, or XVI, or part A of title IV, or*

*"(B) is not a recipient of aid or assistance under such a plan but (i) is eligible to receive such aid or assistance, or (ii) would be eligible to receive such aid or assistance if he were not in a medical institution."*

And the Senate agree to the same.

Amendment numbered 231:

That the House recede from its disagreement to the amendment of the Senate numbered 231, and agree to the same with amendments as follows:

Insert the matter proposed to be inserted by the Senate amendment.

On page 150 of the House engrossed bill, strike out lines 14 through 20 and insert the following:

*(2) Section 1843(f) of such Act is amended—*

*(A) by inserting after "or part A of title IV," (as added by section 241(e)(2) of this Act) the following:*

*"or eligible to receive medical assistance under the plan of such State approved under title XIX;" and*

*(B) by inserting after "and part A of title IV" (as added by section 241(e)(2) of this Act) the following:*

*"and individuals eligible to receive medical assistance under the plan of the State approved under title XIX".*

And the Senate agree to the same.

Amendment numbered 233:

That the House recede from its disagreement to the amendment of the Senate numbered 233, and agree to the same with an amendment as follows:

On page 191 of the Senate engrossed amendments, strike out lines 3 through 8 and insert the following:

*"(D) for payment of the reasonable cost (as determined in accordance with standards approved by the Secretary and included in the plan) of inpatient hospital services provided under the plan;".*

And the Senate agree to the same.

Amendment numbered 236:

That the House recede from its disagreement to the amendment of the Senate numbered 236, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*or dentists' services, at the option of the State, to individuals not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV,"*

And the Senate agree to the same.

Amendment numbered 240:

That the House recede from its disagreement to the amendment of the Senate numbered 240, and agree to the same with amendments as follows:

On page 199, line 20, of the Senate engrossed amendments, strike out "234a" and insert the following: *234*

On page 200, line 3, of the Senate engrossed amendments, strike out "(26)" and insert the following: *"(26)"*

On page 200, line 10, of the Senate engrossed amendments, strike out "periodic" and insert the following: *for periodic*

And the Senate agree to the same.

Amendment numbered 241:

That the House recede from its disagreement to the amendment of the Senate numbered 241, and agree to the same with amendments as follows:

On page 205, line 13, of the Senate engrossed amendments, strike out "234b" and insert the following: *235*

On page 205, line 18, of the Senate engrossed amendments, strike out "X".

On page 160, line 9, of the House engrossed bill, strike out "235" and insert the following: *240*

On page 172, line 10, of the House engrossed amendments, strike out "236" and insert the following: *241*

And the Senate agree to the same.

Amendment numbered 242:

That the House recede from its disagreement to the amendment of the Senate numbered 242, and agree to the same with amendments as follows:

On page 206, line 20, of the Senate engrossed amendments, strike out "234c" and insert the following: *236*

On page 206, line 23, of the Senate engrossed amendments, strike out "'; and'" and insert the following: *a semicolon*

On page 207, line 2, of the Senate engrossed amendments, strike out "1907" and insert the following: *1908*

On page 207, line 5, of the Senate engrossed amendments, strike out "section 226" and insert the following: *the preceding sections*

On page 207, line 9, of the Senate engrossed amendments, strike out "1907" and insert the following: *1908*

And the Senate agree to the same.

Amendment numbered 243:

That the House recede from its disagreement to the amendment of the Senate numbered 243, and agree to the same with amendments as follows:

On page 213, line 10, of the Senate engrossed amendments, strike out "234d" and insert the following: *237*

On page 213, line 15, of the Senate engrossed amendments, strike out "(28)" and insert the following: *(29)*

On page 213, line 16, of the Senate engrossed amendments, strike out "234c" and insert the following: *236*

On page 213 of the Senate engrossed amendments, strike out line 18 and all that follows through line 22 and insert the following:

*"(30) provide such methods and procedures relating to the utilization of, and the payment for, care and services available under the plan as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments (including payments for any drugs provided under the plan) are not in excess of reasonable charges consistent with efficiency, economy, and quality of care."*

And the Senate agree to the same.

Amendment numbered 244:

That the House recede from its disagreement to the amendment of the Senate numbered 244, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

***DIFFERENCES IN STANDARDS WITH RESPECT TO INCOME ELIGIBILITY  
UNDER TITLE XIX***

*SEC. 238. Effective July 1, 1969, section 1902(a)(17) of the Social Security Act is amended by striking out "(which shall be comparable for all groups)" and inserting in lieu thereof the following: "(which shall be comparable for all groups and may, in accordance with standards prescribed by the Secretary, differ with respect to income levels, but only in the case of applicants or recipients of assistance under the plan who are not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV, based on the variations between shelter costs in urban areas and in rural areas)".*

And the Senate agree to the same.

Amendment numbered 253:

That the House recede from its disagreement to the amendment of the Senate numbered 253, and agree to the same with amendments as follows:

On page 216, line 5, of the Senate engrossed amendments, after "that" insert the following: *(A)*

On page 216, line 7, of the Senate engrossed amendments, strike out "part 3 of title V" and insert the following: *part B of title IV*

On page 216 of the Senate engrossed amendments, strike out lines 12 and 13 and insert the following:

*not apply with respect to such agencies but only so long as such agencies of the State are different, and (B) if on such date the local agency administering the plan of a State for child-welfare services developed under part B of title IV of the Social Security Act is different from the local agency in such subdivision administering the plan of such State under part A of title IV of such Act, so much of such paragraph (1) as precedes such subparagraph (B) shall not apply with respect to such local agencies but only so long as such local agencies are different.*

And the Senate agree to the same.

**Amendment numbered 258:**

That the House recede from its disagreement to the amendment of the Senate numbered 258, and agree to the same with amendments as follows:

On page 221, line 2, of the Senate engrossed amendments, strike out "applicable under State law" and insert the following: *applicable to nursing homes under State law*

On page 221, line 5, of the Senate engrossed amendments, insert immediately before the quotation marks the following:

*The term 'intermediate care facility' also includes a Christian Science sanatorium operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts, but only with respect to institutional services deemed appropriate by the State.*

And the Senate agree to the same.

**Amendment numbered 263:**

That the House recede from its disagreement to the amendment of the Senate numbered 263, and agree to the same with amendments as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: *Notwithstanding the preceding provisions of this section, of the amount appropriated for any fiscal year pursuant to section 501, not less than 6 percent of the amount appropriated shall be available for family planning services from allotments under section 503 and for family planning services under projects under sections 508 and 512.*

On page 182, line 16, of the House engrossed bill, strike out "(a)".  
And the Senate agree to the same.

**Amendment numbered 266:**

That the House recede from its disagreement to the amendment of the Senate numbered 266, and agree to the same with an amendment as follows:

On page 222 of the Senate engrossed amendments, strike out lines 13 through 21 and insert the following:

*"(13) provides that, where payment is authorized under the plan for services which an optometrist is licensed to perform, the individual for whom such payment is authorized may, to the extent practicable, obtain such services from an optometrist licensed to perform such services except where such services are rendered in a clinic, or another appropriate institution, which does not have an arrangement with optometrists so licensed; and*

And the Senate agree to the same.

## Amendment numbered 273:

That the House recede from its disagreement to the amendment of the Senate numbered 273, and agree to the same with amendments as follows:

On page 225, line 9, of the Senate engrossed amendments, strike out "CHILDREN'S EMOTIONAL ILLNESS" and insert the following: *EXTENSION OF DUE DATE FOR CHILD MENTAL HEALTH REPORT*

On page 225, line 10, of the Senate engrossed amendments, strike out "306" and insert the following: *305*.

And the Senate agree to the same.

## Amendment numbered 275:

That the House recede from its disagreement to the amendment of the Senate numbered 275, and agree to the same with an amendment as follows:

On page 225, lines 15 and 16, of the Senate engrossed amendments, strike out "INCENTIVE FOR ECONOMY WHILE MAINTAINING QUALITY OR IMPROVING THE PROVISION OF HEALTH SERVICES" and insert the following: *INCENTIVES FOR ECONOMY WHILE MAINTAINING OR IMPROVING QUALITY IN THE PROVISION OF HEALTH SERVICES*; and the Senate agree to the same.

## Amendment numbered 276:

That the House recede from its disagreement to the amendment of the Senate numbered 276, and agree to the same with an amendment as follows:

Insert the matter proposed to be inserted by the Senate amendment, and on page 203, line 24, of the House engrossed bill, insert immediately after the period the following: *No experiment shall be engaged in or developed under subsection (a) until the Secretary obtains the advice and recommendations of specialists who are competent to evaluate the proposed experiment as to the soundness of its objectives, the possibilities of securing productive results, the adequacy of resources to conduct the proposed experiment, and its relationship to other similar experiments already completed or in process.*

And the Senate agree to the same.

## Amendment numbered 282:

That the House recede from its disagreement to the amendment of the Senate numbered 282, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*STUDY OF RETIREMENT TEST AND OF DRUG STANDARDS AND COVERAGE*

*SEC. 405. (a) The Secretary of Health, Education, and Welfare is authorized and directed to study (1) the existing retirement test and proposals for the modification of such test (including proposals for an increase in old-age insurance benefit amounts on account of delayed retirement), (2) quality and cost standards for drugs for which payments are made under the Social Security Act, and (3) the coverage of drugs under part B of title XVIII of such Act.*

*(b) On or before January 1, 1969, the Secretary shall transmit to the President and the Congress a report which shall contain his findings of fact and any conclusions or recommendations he may have.*

And the Senate agree to the same.

Amendment numbered 286:

That the House recede from its disagreement to the amendment of the Senate numbered 286, and agree to the same with an amendment as follows:

On page 231, line 15, of the Senate engrossed amendments, strike out "503" and insert the following: 501; and the Senate agree to the same.

Amendment numbered 288:

That the House recede from its disagreement to the amendment of the Senate numbered 288, and agree to the same with an amendment as follows:

On page 239, line 4, of the Senate engrossed amendments, strike out "505" and insert the following: 502; and the Senate agree to the same.

Amendment numbered 290:

That the House recede from its disagreement to the amendment of the Senate numbered 290, and agree to the same with an amendment as follows:

On page 242, line 5, of the Senate engrossed amendments, strike out "507" and insert the following: 503; and the Senate agree to the same.

Amendment numbered 294:

That the House recede from its disagreement to the amendment of the Senate numbered 294, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*EXCLUSION FROM DEFINITION OF WAGES OF CERTAIN RETIREMENT, ETC.,  
PAYMENTS UNDER EMPLOYER-ESTABLISHED PLANS*

*SEC. 504. (a) Section 3121(a) of the Internal Revenue Code of 1954 (definition of wages) is amended by striking out "or" at the end of paragraph (11), by striking out the period at the end of paragraph (12) and inserting in lieu thereof ";" or", and by adding at the end thereof the following new paragraph:*

*"(13) any payment or series of payments by an employer to an employee or any of his dependents which is paid—*

*"(A) upon or after the termination of an employee's employment relationship because of (i) death, (ii) retirement for disability, or (iii) retirement after attaining an age specified in the plan referred to in subparagraph (B) or in a pension plan of the employer, and*

*"(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents),*

*other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated."*

*(b) Section 3306 (b) of such Code (definition of wages) is amended by striking out "or" at the end of paragraph (8), by striking out the period*

at the end of paragraph (9) and inserting in lieu thereof " ; or", and by adding at the end thereof the following new paragraph:

"(10) any payment or series of payments by an employer to an employee or any of his dependents which is paid—

"(A) upon or after the termination of an employee's employment relationship because of (i) death, (ii) retirement for disability, or (iii) retirement after attaining an age specified in the plan referred to in subparagraph (B) or in a pension plan of the employer, and

"(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents),

other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated."

(c) Section 209 of the Social Security Act (definition of wages) is amended by striking out "or" at the end of subsection (k), by striking out the period at the end of subsection (l) and inserting in lieu thereof " ; or", and by inserting after subsection (l) the following new subsection:

"(m) Any payment or series of payments by an employer to an employee or any of his dependents which is paid—

"(1) upon or after the termination of an employee's employment relationship because of (A) death, (B) retirement for disability, or (C) retirement after attaining an age specified in the plan referred to in paragraph (2) or in a pension plan of the employer, and

"(2) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents),

other than any such payment or series of payments which would have been paid if the employee's employment relationship had not been so terminated."

(d) The amendments made by this section shall apply with respect to remuneration paid after the date of the enactment of this Act.

And the Senate agree to the same.

W. D. MILLS,  
CECIL R. KING,  
HALE BOGGS,  
FRANK M. KARSTEN,  
A. SYDNEY HERLONG, Jr.,  
JOHN W. BYRNES,  
THOS. B. CURTIS,  
JAMES B. UTT,  
JACKSON E. BETTS,

Managers on the Part of the House.

RUSSELL LONG,  
GEORGE A. SMATHERS,  
CLINTON P. ANDERSON,  
ALBERT GORE,  
HERMAN TALMADGE,  
JOHN J. WILLIAMS,  
FRANK CARLSON,  
CARL T. CURTIS,

Managers on the Part of the Senate.

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The following Senate amendments made technical, clerical, clarifying, or conforming changes: 1, 25, 26, 29, 30, 31, 32, 38, 49, 63, 64, 65, 66, 67, 68, 69, 70, 72, 73, 74, 75, 76, 81, 82, 83, 96, 97, 101, 102, 103, 104, 105, 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117, 118, 120, 125, 127, 128, 129, 132, 133, 134, 135, 136, 137, 138, 139, 140, 148, 150, 151, 152, 156, 158, 159, 160, 161, 162, 163, 164, 165, 168, 169, 170, 171, 172, 177, 179, 180, 185, 187, 188, 192, 194, 196, 199, 202, 203, 204, 205, 206, 209, 210, 211, 215, 216, 218, 232, 252, 256, 264a, 265, 269, 274, 278, and 283. With respect to these amendments (1) the House either recedes or rededes with amendments which are technical, clerical, clarifying, or conforming in nature; or (2) the Senate recedes in order to conform to other action agreed upon by the committee of conference.

### BENEFIT AMOUNTS

Amendments Nos. 2 through 15: Section 101 of the House bill amended section 215(a) of the Social Security Act to provide a 12½ percent increase in benefits with a \$50 minimum primary insurance amount through a new benefit table for determining primary insurance amounts and maximum family benefits (taking into account the \$7,600 contribution and benefit base scheduled by section 108 of the House bill to be effective for years after 1967). This provision was to be effective beginning with the second month following the month of enactment.

Senate amendment No. 2 substituted for the benefit table in section 101 of the House bill a new table to provide a 15 percent increase in benefits with a \$70 minimum primary insurance amount (taking into account the increases in the contribution and benefit base scheduled by Senate amendment No. 36—\$8,000 for the year 1968, \$8,800 for the years 1969 through 1971, and \$10,800 for years after 1971).

Senate amendments Nos. 3 through 15 modified the effective date contained in the House bill to make the benefit increases effective beginning with March 1968. (The same modification, in the effective date of other provisions of the House bill involving OASDI benefits

was made by Senate amendments 25, 26, 30, 96, 97, 103, 105, 107, 116, 135, 136, 138, 139.)

Under the conference agreement, section 215(a) of the Social Security Act is amended to provide a 13-percent increase in benefits with a \$55 minimum primary insurance amount through a new benefit table for determining primary insurance amounts and maximum family benefits, taking into account the \$7,800 contribution and benefit base scheduled under the conference agreement to be effective for years after 1967. The provision is effective for and after February 1968.

#### INCREASE IN BENEFITS FOR CERTAIN INDIVIDUALS AGE 72 AND OVER

Amendments Nos. 16 through 24: Section 102 of the House bill amended sections 227 and 228 of the Social Security Act to increase, from \$35 for a single person and \$17.50 for a spouse to \$40 for a single person and \$20 for a spouse, the amounts of the special payments provided for certain individuals age 72 and older who have no coverage or whose coverage is insufficient to qualify for regular benefits.

The Senate amendments modified the House bill to provide for an increase in the amounts of the special payments to \$50 for a single person and \$25 for a spouse.

The Senate recedes.

#### BENEFITS FOR DISABLED WIDOWS AND WIDOWERS

Amendment No. 27: Section 104 of the House bill amended title II of the Social Security Act to provide benefits for disabled widows and widowers age 50 or over, with benefits ranging from 50 percent to 82½ percent of the spouse's primary insurance amount depending on the age at which benefits begin. No trial work period was provided. (A special test of disability for widows and widowers was set forth in section 156 of the bill.)

The Senate amendment modified section 104 of the House bill to provide benefits for disabled widows and widowers at any age. In addition, payment would be made at the full widow's and widower's benefit rate of 82½ percent of the spouse's primary insurance amount, and a trial work period would be provided. (The special test of disability was eliminated by amendment No. 109, so that the definition in present law would apply to widows and widowers as well as to others whose benefits depend upon disability.)

The Senate recedes with a technical amendment.

#### REDUCED BENEFITS AT AGE 60

Amendment No. 28: The Senate amendment added to the House bill a new section (105), amending section 202 of the Social Security Act to provide for payment of reduced old-age, wife's, husband's, widower's, and parent's insurance benefits beginning at age 60. The old-age benefit would be reduced by  $\frac{1}{36}$ ths of one percent for each month for which the worker takes the benefit while under age 65, and the widower's or parent's benefit (like widow's benefits under existing law) would be reduced by the same percentage for each month for which the benefit is taken while under age 62; the wife's or husband's insurance benefit would be reduced by  $\frac{2}{36}$ ths of one percent for each

month for which the benefit is taken before age 65. (Under existing law, old-age benefits are payable in full at age 65 or on the basis of a  $\frac{5}{12}$ ths reduction at age 62; wife's and husband's benefits are payable in full at age 65 or on the basis of a  $\frac{25}{36}$ ths reduction at age 62; and widower's and parent's benefits are payable in full at age 62 with no earlier entitlement provided.)

The Senate recedes.

#### LIBERALIZATION OF EARNINGS TEST

Amendments Nos. 33 and 34: Under the existing provisions of section 203 of the Social Security Act, if a beneficiary earns \$1,500 or less in a year, no benefits will be withheld; if he earns more than \$1,500 in a year, \$1 in benefits will be withheld for each \$2 of earnings between \$1,500 and \$2,700, and \$1 in benefits will be withheld for each \$1 of earnings above \$2,700. Also, no benefit will be withheld for any month in which the beneficiary earns \$125 or less in wages and does not engage in self-employment.

Section 107 of the House bill amended section 203 of the Social Security Act to increase the annual \$1,500 and \$2,700 cut-off points to \$1,680 and \$2,880, respectively, and the \$125 monthly figure to \$140.

The Senate amendments modified section 107 of the House bill so that the annual cut-off points are increased to \$2,400 and \$3,600, and the monthly figure is increased to \$200.

The Senate recedes.

#### INCREASE IN CONTRIBUTION AND BENEFIT BASE

Amendments Nos. 35 and 36: Section 108 of the House bill amended title II of the Social Security Act and the Internal Revenue Code of 1954 to increase the earnings counted for benefit and tax purposes to \$7,600, beginning with 1968.

Under the Senate amendments, the earnings counted for benefit and tax purposes were increased to \$8,000 in 1968, \$8,800 in 1969 through 1971, and \$10,800 beginning with 1972.

Under the conference agreement, the amount of earnings counted for benefit and tax purposes is increased to \$7,800, beginning with 1968.

#### CHANGES IN TAX SCHEDULE

Amendment No. 37: The following table shows the tax schedule in the House bill and that in the Senate bill:

##### CONTRIBUTION RATES FOR EMPLOYEES AND EMPLOYERS, EACH

[In percent]

Year	House bill			Senate bill		
	OASDI	HI	Total	OASDI	HI	Total
1967-----	3.9	0.5	4.4	3.9	0.5	4.4
1968-----	3.9	.5	4.4	3.8	.6	4.4
1969-70-----	4.2	.6	4.8	4.2	.6	4.8
1971-72-----	4.6	.6	5.2	4.6	.6	5.2
1973-75-----	5.0	.65	5.65	5.0	.65	5.65
1976-79-----	5.0	.7	5.7	5.05	.65	5.7
1980-86-----	5.0	.8	5.8	5.05	.75	5.8
1987 and after-----	5.0	.9	5.9	5.05	.75	5.8

## CONTRIBUTION RATES FOR THE SELF-EMPLOYED

[In percent]

	House bill			Senate bill		
	OASDI	HI	Total	OASDI	HI	Total
1967-----	5.9	0.5	6.4	5.9	0.5	6.4
1968-----	5.9	.5	6.4	5.8	.6	6.4
1969-70-----	6.3	.6	6.9	6.3	.6	6.9
1971-72-----	6.9	.6	7.5	6.9	.6	7.5
1973-75-----	7.0	.65	7.65	7.0	.65	7.65
1976-79-----	7.0	.7	7.7	7.0	.65	7.65
1980-86-----	7.0	.8	7.8	7.0	.75	7.75
1987 and after-----	7.0	.9	7.9	7.0	.75	7.75

The conference agreement provides the following tax schedule:

[In percent]

	Employers and employees, each			Self-employed		
	OASDI	HI	Total	OASDI	HI	Total
1967-----	3.9	0.5	4.4	5.9	0.5	6.4
1968-----	3.8	.6	4.4	5.8	.6	6.4
1969-70-----	4.2	.6	4.8	6.3	.6	6.9
1971-72-----	4.6	.6	5.2	6.9	.6	7.5
1973-75-----	5.0	.65	5.65	7.0	.65	7.65
1976-79-----	5.0	.7	5.7	7.0	.7	7.7
1980-86-----	5.0	.8	5.8	7.0	.8	7.8
1987 and after-----	5.0	.9	5.9	7.0	.9	7.9

EXTENSION OF RETROACTIVITY OF DISABILITY APPLICATIONS FOR FREEZE PURPOSES WHERE FAILURE TO MAKE TIMELY APPLICATION IS DUE TO INCOMPETENCY

Amendment No. 39: Under existing law, an application to establish a period of disability must be filed no later than 12 months after the end of the period of disability. The Senate amendment added to the House bill a new section (112), amending section 216(i) of the Social Security Act to extend the time for filing an effective application to establish a closed period of disability (for disability freeze purposes only) for an additional 24 months—to a total of 36 months—in certain cases where it is shown to the satisfaction of the Secretary of Health, Education, and Welfare that the disabled individual's failure to file within the prescribed period is due to his mental or physical incapacity to execute such an application.

The House recedes with a technical amendment.

MARRIAGE OF A CHILD WHO IS A FULL-TIME STUDENT

Amendment No. 40: The Senate amendment added to the House bill a new section (113), amending section 202(d) of the Social Security Act to provide that a child's benefits will not stop when the child marries if and for as long as the child is a full-time student (and is otherwise entitled to benefits) and, in the case of a girl, her husband is also a full-time student. A child whose benefits stop because of marriage may subsequently (if otherwise entitled, and upon making a new application) become reentitled to such benefits if he becomes a full-time student (or, in the case of a girl, if both she and her husband become full-time students).

The Senate recedes.

## BENEFITS FOR CERTAIN CHILDREN ADOPTED BY DISABLED WORKERS

Amendment No. 41: The Senate amendment added to the House bill a new section (114), amending section 202(d)(9) of the Social Security Act to provide that benefits can be paid to the legally adopted child of a worker entitled to disability benefits (or to old-age benefits after having been entitled to disability benefits) if the adoption took place under the supervision of a child-placing agency and was decreed by a court of competent jurisdiction in the United States, the worker had continuously resided in the United States for at least one year prior to the date of adoption, and the child was under the age of 18 on the date of the adoption, regardless of when the adoption occurred. (Under present law the adoption, even if other conditions are met, must have taken place within 2 years of the time the worker became entitled to disability benefits.)

The House recedes with technical amendments.

## BENEFITS FOR MOTHERS OF CERTAIN FULL-TIME STUDENTS

Amendment No. 42: The Senate amendment added to the House bill a new section (114a), amending section 202(s) of the Social Security Act to provide that a wife or mother otherwise qualified may receive benefits on the basis of having an entitled child in her care, where the child is between 18 and 22 and is only entitled to child's benefits because he is a full-time student, if the school at which the child is a student is an elementary or secondary school. (Under existing law, a wife or mother can be entitled to benefits on the basis of having a child in her care only if the child is entitled to child's benefits because he is under 18 or is disabled—she cannot qualify on the basis of a child who is entitled only because he is a student, regardless of the level of the school at which he is enrolled.)

The Senate recedes.

## STUDY OF DELAYED RETIREMENT INCREMENT

Amendment No. 43: The Senate amendment added to the House bill a new section (114b) to require the Social Security Administration to make a study with respect to the feasibility of providing increased old-age insurance benefit amounts for people who delay their retirement and may continue to work after age 65, and to report its findings to the Congress.

The Senate recedes (but the substance of the provision is included in section 405 of the bill—see Amendment No. 282).

## COVERAGE OF MINISTERS

Amendments Nos. 44, 45, 46, and 47: Under existing law, the services which a clergyman (including a Christian Science practitioner or a member of a religious order who has not taken a vow of poverty) performs in the exercise of his ministry are excluded from coverage unless the clergyman elects coverage by filing a waiver certificate within a prescribed period; if he makes the election his services in his ministry are covered under the provisions of law applicable to self-employed persons. A member of a religious order who has taken a vow of poverty may not make such an election; his services are compulsorily excluded from coverage.

Section 115 of the House bill amended section 211(c) of the Social Security Act and section 1402(c) and (e) of the Internal Revenue Code of 1954 to provide that the services performed in the exercise of his profession by a minister, a Christian Science practitioner, or any member of a religious order (including a member who has taken a vow of poverty) are to be covered under the provisions of law applicable to the self-employed unless he obtains an exemption from social security taxes (and coverage) by filing within a prescribed period (under the revised section 1402(e) of the Code) an application for exemption, together with a statement that he is conscientiously opposed to the acceptance (with respect to his professional service) of any public insurance such as social security; a clergyman who had elected coverage under existing law could not secure an exemption, and an exemption from coverage would be irrevocable.

Senate amendments Nos. 44, 45, and 46 added language providing that members of religious orders who have taken a vow of poverty are compulsorily excluded from coverage, as under present law, and need not file any application to secure the exemption. Senate amendment No. 47 provided an additional basis for the exemption from social security taxes (and coverage); clergymen opposed to the acceptance of public insurance on grounds of religious principle (in addition to those conscientiously opposed as provided in the House bill) may secure the exemption.

The House recedes.

#### STATE AND LOCAL DIVIDED RETIREMENT SYSTEMS

Amendment No. 48: The Senate amendment added to section 116 of the House bill a new subsection (d), amending section 218(d)(6)(F) of the Social Security Act so as to grant an additional opportunity, through 1969, for the election of social security coverage by members of State and local government retirement systems who did not elect coverage when they previously had the opportunity to do so under the divided retirement system procedure, which permits certain States to cover only those current members of a retirement system who desire coverage.

The House recedes.

#### COVERAGE OF POLICEMEN AND FIREMEN IN PUERTO RICO AND CERTAIN FIREMEN IN NEBRASKA

Amendment No. 50: The Senate amendment added to the House bill a new section (119), amending section 218(p) of the Social Security Act to add Puerto Rico to the list of States which may, if they so desire, provide social security coverage for policemen and firemen in positions under State or local retirement systems. The Senate amendment also included a provision validating amounts erroneously reported for past services performed by certain firemen employed by political subdivisions in Nebraska, if amounts representing social security taxes were erroneously paid in good faith and no refund has been obtained.

The House recedes with a technical amendment.

## COVERAGE OF FIREMEN IN STATES NOT SPECIFICALLY LISTED

Amendment No. 51: The Senate amendment added to the House bill a new section (120), amending section 218(p) of the Social Security Act to allow social security coverage to be extended to firemen under a State or local retirement system in a State not designated by name (in section 218(p)) as one which is permitted to cover policemen and firemen, if the Governor of the State certifies that the overall benefit protection of the group of firemen which would be brought under social security coverage would be improved by reason of the extension of coverage to the group. Coverage could be extended under this provision only after a favorable referendum in which no person other than a fireman could vote.

The House recedes with a technical amendment.

## COVERAGE OF ERRONEOUSLY REPORTED WAGES FOR FORMER STATE OR LOCAL GOVERNMENT EMPLOYEES

Amendment No. 52: The Senate amendment added to the House bill a new section (121), amending section 218(f) of the Social Security Act to permit a State, when it provides retroactive coverage for a coverage group under a modification of the State's agreement, to specify that whatever retroactive coverage is provided for the current employees of the coverage group will also be provided for former employees with respect to whose earnings amounts representing social security taxes had been erroneously paid in good faith to the Secretary of the Treasury. The retroactive coverage would not apply to any former employee for whom a refund of taxes had been made.

The House recedes with a technical amendment.

## COVERAGE OF FEES OF STATE AND LOCAL GOVERNMENT EMPLOYEES AS SELF-EMPLOYMENT INCOME

Amendment No. 53: The Senate amendment added to the House bill a new section (122), amending section 211(c) of the Social Security Act and section 1402(c) of the Internal Revenue Code of 1954 to provide that fees received after 1967 by employees of State or local governments in positions compensated solely on a fee basis and not covered under a State social security agreement will be covered under the self-employment provisions; however, any person in a fee-basis position in 1968 may elect irrevocably (before the due date of his tax return for 1968) not to have the amendment apply to him—i.e., not to have his fees covered under the self-employment provisions. The Senate amendment also added to section 218 of the Social Security Act a new subsection (u) under which any future modification of a State's agreement may cover services in positions compensated solely on a fee basis only if the modification specifically includes such services as covered, and under which a State may remove such services from coverage under the agreement.

The House recedes with a technical amendment.

## FAMILY EMPLOYMENT IN A PRIVATE HOME

Amendment No. 54: The Senate amendment added to the House bill a new section (123), amending section 210(a)(3)(B) of the Social Security Act and section 3121(b)(3)(B) of the Internal Revenue

Code of 1954 to extend social security coverage, beginning after 1967, to domestic service in a private home of the employer performed by an individual in the employ of his son or daughter, provided that certain conditions are met. The service in any calendar quarter would be covered only if the employer has living in his home a son, daughter, stepson, or stepdaughter who is under age 18 or whose mental or physical condition requires the personal care and supervision of an adult for at least 4 continuous weeks in the quarter, and the employer either is widowed or divorced (and has not remarried) or has a spouse living in the home who, because of a mental or physical condition, is incapable of caring for the employer's son, daughter, stepson, or stepdaughter for at least 4 continuous weeks in the quarter.

The House recedes with technical amendments.

#### EMPLOYEES OF THE MASSACHUSETTS TURNPIKE AUTHORITY

Amendment No. 55: The Senate amendment added to the House bill a new section (124), giving the Secretary of Health, Education, and Welfare authority to permit the State of Massachusetts, under such conditions as he deems appropriate, to remove the employees of the Massachusetts Turnpike Authority from social security coverage before the expiration of 2 years after giving advance notice to the Secretary, with the provision that if the employees are thus removed from coverage the State cannot again extend coverage to employees of the Authority.

The House recedes with technical amendments.

#### METHOD OF PAYMENT TO PHYSICIANS UNDER THE SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendments Nos. 56, 57, 58, 59, and 60: The House bill amended section 1842(b)(3)(B) of the Social Security Act to provide, in addition to the present receipted bill and assignment methods of payment for physicians' services, an alternative method, effective with respect to bills received after December 31, 1967, under which a physician or other person providing the service could receive payment on the basis of an itemized bill if such bill is submitted in the form and manner and within the time specified by regulation and if the full charge does not exceed the reasonable charge for the service. Under the alternative method payment could be made to the patient if payment is not made to the person providing the service for the reason that the charge exceeds the reasonable charge, the person providing the service does not submit the bill as provided for by regulation, or such person directs that payment be made to the patient. The House bill also provided, with respect to bills received after December 31, 1967, that requests for payment under the supplementary medical insurance program for services reimbursable on a reasonable charge basis must be filed no later than the close of the calendar year after the year in which the service is furnished (service furnished in the last 3 months of a calendar year is deemed to have been furnished in the succeeding calendar year).

The Senate amendments changed present law, effective with respect to claims on which a final determination has not been made on or before the date of enactment, by eliminating the receipted bill method of payment (payment by the patient required before reimbursement)

and by providing that payment can be made either to the patient on the basis of an itemized bill (either receipted or unpaid) or to the physician under the assignment method. The Senate amendments retained the House bill provision which establishes the calendar year limitation for filing medical insurance claims, but made such limitation applicable to bills submitted and requests for payment made on or after April 1, 1968.

The House recedes.

#### PODIATRISTS

Amendment No. 61: The House bill amended section 1861(r) of the Social Security Act to include within the definition of "physician" a doctor of podiatry or surgical chiropody, but only with respect to functions which he is legally authorized to perform as such by the State in which he performs them. Under the House bill a doctor of podiatry would not be considered a "physician" for purposes of sections 1814(a) and 1835 (relating to certification and recertification of medical necessity under parts A and B of title XVIII) and section 1861(k) (relating to utilization review). Certain services performed by a podiatrist were also excluded for purposes of payment under the hospital and medical insurance programs.

The Senate amendment provided, in addition to those restrictions in the House provision, that a podiatrist would not be considered to be a "physician" for the purposes of subsection (j) (relating to extended care facilities), subsection (m) (relating to home health services), and subsection (o) (relating to home health agencies) of section 1861.

The House recedes.

#### EXCLUSION OF CERTAIN SERVICES EXCEPT WITH REGARD TO PROSTHETIC LENSES

Amendment No. 62: Section 128 of the House bill amended section 1862(a)(7) of the Social Security Act, which provides that no payment may be made under title XVIII for expenses incurred for routine physical checkups, eyeglasses, eye examinations for the purpose of prescribing, fitting, or changing eyeglasses, or hearing aids or examinations therefor, by adding a provision that no payment may be made for expenses incurred for procedures performed (during the course of any eye examination) to determine the refractive state of the eyes.

The Senate amendment provided that the exclusion added by the House bill is not to apply with respect to expenses incurred for procedures performed in connection with furnishing prosthetic lenses.

The Senate recedes.

#### TRANSFER OF ALL OUTPATIENT HOSPITAL SERVICES TO SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 71: Section 129 of the House bill amended the appropriate sections in title XVIII of the Social Security Act to place coverage of all outpatient hospital services in the supplementary medical insurance program.

The Senate amendment made the provisions of the House bill applicable with respect to services furnished after March 31, 1968, rather than December 31, 1967, except that the elimination of the

physician certification requirement with respect to outpatient hospital diagnostic services would apply to services furnished after the date of the enactment of the bill.

The House recedes.

#### **PAYMENT FOR PHYSICAL THERAPY SERVICES FURNISHED TO OUTPATIENTS**

Amendment No. 77: Section 133 of the House bill amended section 1861(s)(2) of the Social Security Act to provide supplementary medical insurance coverage of physical therapy furnished to an outpatient, in a residence used as the patient's home, by a hospital or by others under arrangements with the hospital, if such therapy is under the supervision of such hospital. This provision would apply with respect to services furnished after December 31, 1967.

The Senate amendment provided coverage for outpatient physical therapy services furnished by physical therapists employed by or under an agreement with, and under the supervision of, hospitals and other providers of services as well as approved clinics or rehabilitation centers, and local public health agencies that meet standards established by the Secretary of Health, Education, and Welfare relating to health and safety. The patient would not have to be homebound for the physical therapy services to be covered. Payment would be made for such services only when furnished in accordance with a plan, established and periodically reviewed by a physician, that would prescribe the type of physical therapy services to be provided and the amount and duration of such services. The Senate amendment would apply with respect to services furnished after June 30, 1968.

The House recedes with a technical amendment.

#### **BLOOD DEDUCTIBLES**

Amendments Nos. 78 and 79: Section 135 of the House bill amended sections 1813(a)(2) (as redesignated by the bill) and 1866(a)(2)(c) of the Social Security Act to provide that equivalent quantities of packed red blood cells shall be treated as blood under the hospital insurance program, and that a patient would have to replace 2 pints of blood for the first pint of blood received (rather than 1 pint as under present law) for purposes of the 3-pint deductible. The House bill also amended section 1833(b) by establishing a 3-pint deductible requirement with respect to blood (or equivalent quantities of packed cells) furnished to an individual during a calendar year under the supplementary medical insurance program.

The Senate amendments deleted the requirement in the House bill that the patient replace, for purposes of the 3-pint deductible, 2 pints of blood for the first pint of blood received.

The House recedes.

#### **EXTENSION BY 60 DAYS DURING INDIVIDUAL'S LIFETIME OF MAXIMUM DURATION OF BENEFITS FOR INPATIENT HOSPITAL SERVICES**

Amendment No. 80: Section 137 of the House bill amended section 1812(a)(1) and (b)(1) of the Social Security Act to provide a maximum of 120 days (rather than 90) of inpatient hospital services for an individual during any spell of illness, and amended section 1813(a)(1)

of the act to provide that the amount payable for such services for each day before the 121st day and after the 90th day of a spell of illness will be reduced by a coinsurance amount equal to one-half of the inpatient hospital deductible determined under section 1813(b). (The inpatient hospital deductible is currently established at \$40.)

The Senate amendments provided an individual with a lifetime reserve of 60 days of additional coverage for inpatient hospital care for use after he has exhausted the 90 days of hospital services to which he is entitled during any spell of illness. The coinsurance amount for each such additional day of coverage would equal one-fourth of the inpatient hospital deductible determined under section 1813(b).

The conference agreement contains the Senate provision for a lifetime reserve of 60 additional days, but applies the House provision for a coinsurance amount equal to one-half of the inpatient hospital deductible.

#### METHOD OF DETERMINING REASONABLE COST FOR PROVIDERS OF SERVICES

Amendment No. 84: The Senate amendment added to the House bill a new section (142), amending section 1861(v)(1) of the Social Security Act by providing that the regulations prescribed by the Secretary of Health, Education, and Welfare for determining the reasonable cost of services under title XVIII shall give a provider of services the option of having the cost of covered services determined on a per diem basis (per diem costs prevailing in a community for comparable quality and levels of services would be taken into account in determining such per diem basis). Cost of services would otherwise be determined on the basis of a per unit, per capita, or other basis insuring the provider reasonable cost reimbursement.

The Senate recedes with the understanding on the part of the conferees for both the Senate and the House that this action is not to be taken as a final decision or prejudgment respecting the issue of reimbursing providers of service under the medicare program by alternative methods to those now employed. Such decisions should not be made until such time as adequate data concerning the actual cost of benefits furnished to medicare beneficiaries have been obtained and made available to Congress. At the present time such data have not been compiled since the actual costs incurred by providers for services furnished to medicare recipients during the first fiscal year of operation of the program have not been finally determined. The Department of Health, Education, and Welfare has been directed to furnish such data to the Committee on Ways and Means and the Committee on Finance as soon as it is available.

#### ALLOWANCE FOR DEPRECIATION AND INTEREST IN DETERMINING REASONABLE COST UNDER TITLES V, XVIII, AND XIX

Amendment No. 85: The Senate amendment added to the House bill a new section (143), providing that the Secretary of Health, Education, and Welfare would take into account any disapproval by State agencies carrying on planning under the Partnership for Health Act of expenditures (made after June 30, 1970, or an earlier date at the request of a State) by hospitals or other health facilities for substantial capital items. Depreciation and interest attributable to substantial

capital items found not in accordance with a State's overall plan would not be includable as a part of the "reasonable cost" of covered services provided to individuals under titles V, XVIII, and XIX.

The Senate recedes.

**STATE AGREEMENTS FOR COVERAGE UNDER THE HOSPITAL INSURANCE PROGRAM FOR THE AGED**

Amendment No. 86: The Senate amendment added to the House bill a new section (144), adding a new section 1818 to the Social Security Act permitting a State to enter into an agreement with the Secretary of Health, Education, and Welfare for the provision of hospital insurance coverage beginning April 1, 1968, for State and local employees, retired or active (and their dependents and survivors), age 65 or over who do not otherwise qualify for medicare hospital insurance protection. A State would reimburse the Federal Hospital Insurance Trust Fund for the actual costs of benefits paid and administrative expenses incurred with respect to these persons. An agreement (either in its entirety or with respect to any one or more coverage groups) could be terminated if the Secretary finds that the State concerned is no longer legally able to comply with the provisions of the agreement. A State may also, at its option, terminate such an agreement.

The Senate recedes.

**PROVISIONS FOR BENEFITS UNDER PART A OF TITLE XVIII OF THE SOCIAL SECURITY ACT FOR PATIENTS ADMITTED PRIOR TO 1968 TO CERTAIN HOSPITALS**

Amendment No. 87: The Senate amendment added to the House bill a new section (145), providing that payment may be made, on the basis of an itemized bill, to an individual entitled to hospital insurance benefits for inpatient hospital services furnished after June 30, 1966, in certain nonparticipating hospitals as a result of admissions occurring before January 1, 1968. The hospital must be licensed as a hospital, have full-time nursing services, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. Application for reimbursement under this provision would have to be filed before January 1, 1969, and payment would be limited to 60 percent of room and board charges and 80 percent of hospital ancillary charges for up to 90 days in each spell of illness (subject to cost-sharing provisions in present law) if the hospital formally participates in the hospital insurance program before January 1, 1969, and applies its utilization review plan to the services furnished such individual. If the hospital does not participate before January 1, 1969, payment under this provision would be limited to 20 days in each spell of illness.

The House recedes with technical amendments.

**PAYMENT FOR EMERGENCY HOSPITAL SERVICES**

Amendment No. 88: The Senate amendment added to the House bill a new section (146), amending section 1861(e) of the Social Security Act to redefine, effective July 1, 1966, the term "hospital" (for purposes of paying for emergency hospital services) to mean an institution which must be licensed as a hospital, have full-time

nursing services, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. The requirements under present law with respect to clinical records, medical staff bylaws, and care of patient by a physician are eliminated. The Senate amendment also provided that if the hospital does not bill for emergency hospital services, the patient could be paid 60 percent of the room and board charges and 80 percent of the hospital ancillary charges (or, if the hospital does not make separate charges for routine and ancillary services, two-thirds of the hospital's reasonable charges), subject to deductible and other existing limitations, with respect to hospital admissions occurring after December 31, 1967.

The House recedes with technical amendments.

**PAYMENT FOR CERTAIN SERVICES FURNISHED OUTSIDE THE  
UNITED STATES**

Amendment No. 89: The Senate amendment added to the House bill a new section (147), amending section 1814(f) of the Social Security Act to permit, effective with admissions occurring after March 31, 1968, direct payment of hospital insurance benefits to a resident of the United States for up to 20 days of inpatient hospital services furnished in a country contiguous to the United States by a hospital which is not more than 50 miles from the border of the continental United States. For nonemergency care, the hospital would have to be the nearest suitable one to the patient's residence. Payment would also be made for emergency inpatient services furnished in a foreign hospital within 50 miles of the United States border if the hospital was the closest one suitable for treatment and the emergency necessitating such services occurred no more than 50 miles outside the United States. Benefits would be payable only on the basis of a request for payment by an individual entitled to hospital insurance benefits and only if the foreign hospital met standards that are essentially comparable to those required of hospitals participating under the program in the United States. Subject to appropriate deductibles and other limitations, the amount payable under this provision would be equal to 60 percent of the hospital's reasonable charges for routine services in the room occupied by the individual or in semiprivate accommodations, whichever is less, plus 80 percent of the hospital's reasonable charges for ancillary services, or, if separate charges for routine and ancillary services are not made by such hospital, reimbursement may be made to the patient on the basis of two-thirds of the hospital's reasonable charges but not to exceed the charges that would have been made if the patient had occupied semiprivate accommodations.

The Senate recedes with the understanding that the Departments of Health, Education, and Welfare and State will explore, and report to the Committees on Ways and Means and Finance, the feasibility of entering into reciprocal agreements and arrangements with neighboring nations designed to make medicare benefits available to U.S. citizens who receive necessary hospital care in such nations.

**PAYMENT UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM FOR  
CERTAIN INPATIENT ANCILLARY SERVICES**

Amendment No. 90: The Senate amendment added to the House bill a new section (148), amending section 1861(s) of the Social Security

Act to permit, effective April 1, 1968, payment under the medical insurance program for certain ancillary hospital and extended care facility services, principally X-ray and laboratory services, furnished to inpatients who cannot qualify for payments under the hospital insurance program—for example, in cases where hospital patients have exhausted their eligibility under the hospital insurance program, or when extended care facility patients have not met the 3-day hospitalization requirement.

The House recedes with a technical amendment.

GENERAL ENROLLMENT PERIOD UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM

Amendment No. 91: The Senate amendment added to the House bill a new section (149), providing that the general enrollment periods for the supplementary medical insurance program would be placed (beginning with 1969) on an annual rather than a biennial basis, and run from January 1 through March 31, rather than from October 1 through December 31 as under present law. The Secretary would determine and promulgate during December of each year the premium rate for the program which would be applicable for the 12-month period beginning on the following July 1 and would be required to issue a public statement setting forth the actuarial assumptions and other bases upon which he arrived at such rate. Under the Senate amendment persons wishing to disenroll could do so at any time, but such disenrollment would not take effect until the close of the calendar quarter following the quarter in which the notice of disenrollment was filed. The amendment would also substitute a one-time late enrollment charge (up to 3 additional monthly premiums) for the 10 percent premium increase in section 1839(c) of the Social Security Act for those who delay their enrollment in the program, and would modify section 1837(b)(1) to provide that no individual may enroll for the first time under the program unless he does so in a general enrollment period which begins within 3 years after the close of the first enrollment period during which he could have so enrolled.

The House recedes with an amendment providing for the retention of the percentage premium increase provision in present law for those who delay enrollment, and the deletion of the late enrollment charge in the Senate bill.

ELIMINATION OF SPECIAL REDUCTION IN ALLOWABLE DAYS OF INPATIENT HOSPITAL SERVICES FOR PATIENTS IN TUBERCULOSIS HOSPITALS

Amendment No. 92: Section 138 of the House bill provided that the limitation in section 1812(c) of the Social Security Act on payment of hospital insurance benefits during the first spell of illness for an individual who is an inpatient of a psychiatric or tuberculosis hospital at the time he first becomes eligible for benefits under the hospital insurance program would not be applicable to benefits for services in a general hospital if such services are not primarily for the diagnosis or treatment of mental illness or tuberculosis.

The Senate amendment changed the provisions of the House bill by eliminating the provision in present law under which days spent in a tuberculosis hospital by an individual immediately before his initial entitlement to hospital insurance reduced the days of inpatient hospital

coverage for which he is eligible, after entitlement, during his first spell of illness. The Senate amendment would provide that no reduction would occur in such individual's hospital insurance coverage, after initial entitlement, during his first spell of illness, regardless of whether he receives inpatient services in a tuberculosis or general hospital. The Senate amendment retained the House provision with respect to inpatients of psychiatric hospitals.

The House recedes with a technical amendment.

**INCLUSION OF OPTOMETRISTS' SERVICES UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM**

Amendment No. 93: The Senate amendment added to the definition of "physician" in section 1861(r) of the Social Security Act a doctor of optometry but only for the purpose of including his services as medical and other health services covered under the supplementary medical insurance program and only with respect to functions he is authorized to perform by the State in which he practices. The Senate provision also added to section 1862(a) of the Act (relating to items and services excluded from coverage under title XVIII) expenses for an optometrist's services in connection with the detection of eye diseases, or for his referral of an individual to a physician (as presently defined in the act) arising from such services.

The Senate recedes.

**INCLUSION OF CHIROPRACTORS' SERVICES UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM**

Amendment No. 94: The Senate amendment added to the definition of "physician" in section 1861(r) of the Social Security Act a licensed chiropractor but only for the purpose of including his services as medical and other health services covered under the supplementary medical insurance program and only with respect to functions he is legally authorized to perform by the State in which he practices.

The Senate recedes.

**INCLUSION OF PSYCHOLOGISTS' SERVICES UNDER SUPPLEMENTARY MEDICAL INSURANCE PROGRAM**

Amendment No. 95: The Senate amendment added to the definition of "physician" in section 1861(r) of the Social Security Act a licensed or certified psychologist but only for the purpose of including his services as a medical and other health service covered under the supplementary medical insurance program and only with respect to functions which he is legally authorized to perform by the State in which he practices.

The Senate recedes.

**OVERPAYMENTS**

Amendment No. 98: The Senate amendment added to the House bill a new section (152), amending section 204(a) of the Social Security Act to direct the Secretary of Health, Education, and Welfare to recover benefits overpaid to an individual by withholding benefits payable to him or his estate or to any other person entitled to benefits on the same earnings record, or by requiring a refund from him or his estate, or by any combination of these. A beneficiary who is liable

for repayment of an overpayment, whether the overpayment was made to him or to another person, would qualify for waiver of recovery of the overpaid amount if he is without fault and meets the other conditions prescribed in the law. (Underpayments would be paid to the underpaid beneficiary, or, if he has died, to other persons in accordance with section 204(d) of the Act as amended by the bill (see Senate amendment No. 100).)

The House recedes with a technical amendment.

**BENEFITS PAID ON THE BASIS OF ERRONEOUS REPORTS OF DEATH IN MILITARY SERVICE**

Amendment No. 99: The Senate amendment added to the House bill a new section (153), further amending section 204(a) of the Social Security Act to make benefits paid on the basis of an official report of the death of an active-duty serviceman in line of duty, issued by the Department of Defense, lawful payments even though it is later determined that the serviceman is still alive.

The House recedes with a technical amendment.

**UNDERPAYMENTS**

Amendment No. 100: Section 152 of the House bill amended section 204(d) of the Social Security Act to provide that cash benefits due a beneficiary at the time of his death are to be paid in the following order or priority:

- (1) To his surviving spouse entitled to benefits on the same earnings record as he was, or
- (2) to his child or children (in equal parts) entitled on that earnings record, or
- (3) to his parent or parents (in equal parts) entitled on that earnings record, or
- (4) to the legal representative or his estate, or
- (5) to his surviving spouse not entitled to benefits on the same earnings record as he was, or
- (6) to his child or children (in equal parts) not entitled on that earnings record.

If none of these persons exist, no payment would be made.

Section 152 of the House bill also amended section 1870 of the Act to provide that unpaid medical insurance benefits are to be settled as follows: Where a beneficiary who has received services for which payment is due him dies, and the bill for such services has been paid but reimbursement under the medical insurance program has not been made, payment of the medical insurance benefits would be made to the person who paid the bill. If payment could not be made to that person, payment would be made to the legal representative of the deceased beneficiary's estate, if there is one—otherwise to relatives of the deceased individual in the following order of priority:

- (1) To his surviving spouse living with him at the time of his death, or
- (2) to his surviving spouse entitled to benefits on the same earnings record as he was, or
- (3) to his child or children (in equal parts).

If none of these persons exist, no payment would be made.

A further provision, not affected by the Senate amendment, authorized the Secretary to settle claims for unpaid medical insurance bene-

fits, in cases where the bill for covered services had not been paid, by making payment to the physician or other person who provided the services, but only if such physician (or other person) agrees to accept the reasonable charge for the services as his full charge.

The Senate amendment modified section 152 of the House bill to provide the following uniform order of priority for both cash benefits and medical insurance benefits due after the beneficiary's death (except that any medical insurance benefits would of course be paid first to the person who paid for the services involved, or, if that person is the deceased beneficiary himself, to the legal representative of his estate if there is one):

- (1) To the surviving spouse of the deceased individual if she was either living with him at the time of his death or entitled to benefits on the same earnings record as he was, or
- (2) to his child or children (in equal parts) entitled to benefits on that earnings record, or
- (3) to his parent or parents (in equal parts) entitled on that earnings record, or
- (4) to his surviving spouse if she was neither living with him nor entitled to benefits on that earnings record, or
- (5) to his child or children not entitled on that earnings record, or
- (6) to his parent or parents not entitled on that earnings record, or
- (7) to the legal representative of his estate, if any, or
- (8) to any person or persons related to him by blood, marriage, or adoption who may be determined by the Secretary to be the proper person or persons to receive the payment due.

The House recedes with amendments (1) directing payment of supplementary medical insurance benefits to the person who paid the bill for the services involved (ahead of all the other categories) even though the payment of such bill occurred after the beneficiary's death, and (2) eliminating the Senate provision which authorized payment of benefits to persons related to the beneficiary by blood, marriage, or adoption where there is no one to pay in any of the first seven categories.

#### DEFINITION OF DISABILITY

Amendment No. 109: Under existing law, the term "disability" is defined in general as inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last at least 12 months.

Section 156 of the House bill amended section 223 (and related provisions) of the Social Security Act so as to clarify the definition by providing guidelines emphasizing the role of medical standards in determining disability so that an individual is not to be considered under a "disability" unless his impairment is of such severity that he is not only unable to do his previous work but cannot (considering his age, education, and work experience) engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the general area where he lives, or whether a specific job vacancy exists for him or he would be hired if he applied for work. The Secretary of Health, Education, and

Welfare is directed to establish criteria which are to be conclusive for determining when work or earnings demonstrate ability to engage in substantial gainful activity. Section 156 also provided a more restrictive definition of disability for disabled widows and widowers than exists in present law for disabled workers; a widow or widower would not be found to be under a disability unless his or her impairments are of a level of severity deemed sufficient to preclude an individual from engaging in any gainful activity (see discussion of Senate amendment No. 27).

The Senate amendment struck out of the House bill the language clarifying the definition of disability, retaining only a technical change, and also eliminated the more restrictive definition applicable to widows and widowers.

The conference agreement contains substantially the provision of the House bill, but includes language designed to clarify the meaning of the phrase "work which exists in the national economy". This language puts into the statute the same meaning of the phrase that was expressed in the reports of both committees. Under the added language, "work which exists in the national economy" means work that exists in significant numbers in the region in which the individual lives or in several regions in the country. The purpose of so defining the phrase is to preclude from the disability determination consideration of a type or types of jobs that exist only in very limited number or in relatively few geographic locations in order to assure that an individual is not denied benefits on the basis of the presence in the economy of isolated jobs he could do.

#### AMENDMENT TO COMPLY WITH TREATY OBLIGATIONS

Amendment No. 119: The Senate amendment added to the House bill a new section (162), amending sections 228(a) and 1836 of the Social Security Act and section 103(a) of the Social Security Amendments of 1965. Under the Senate amendment, the present 5-year residence requirements that uninsured aliens must meet in order to qualify for hospital insurance benefits or special age-72 cash payments, or to be eligible to participate in the supplementary medical insurance program, will not apply to any individual when their application would be contrary to present treaty obligations of the United States.

The Senate recedes.

#### EFFECTIVE DATE OF LIMITATION ON PAYMENT OF BENEFITS TO ALIENS OUTSIDE THE UNITED STATES

Amendment Nos. 121, 122, and 123: Section 160 of the House bill amended section 202(t) of the Social Security Act to provide that the present 40-quarters-of-coverage and 10-years-residence exceptions to the provision requiring the withholding of benefits from aliens outside the United States are not to apply to aliens who are citizens of a country that has a social insurance or pension system of general applicability under which benefits are denied to otherwise eligible Americans while they are outside of that country, or who are citizens of a country that does not have such a system if at any time during a specified 5-year period benefits to individuals in that country cannot be paid because of the Treasury ban on payments to Communist-controlled countries. This change was made applicable for and after the sixth month following enactment.

Section 160 of the House bill also prohibited payment of any benefits *for months after enactment* which are withheld on account of the Treasury ban, and provides that past benefits withheld (*through the month of enactment*) may not be paid, if and when the ban ends, in excess of the last 12 months' benefits or to anyone other than the beneficiary or a survivor entitled to benefits on the same earnings record.

The Senate amendment modified section 160 of the House bill to delay the effective dates of these provisions until December 31, 1968.

The conference agreement delays the effective dates of these provisions only until June 30, 1968.

#### SPECIAL PROVISION IN THE CASE OF CERTAIN CHILDREN

Amendment No. 124: Section 161 of the House bill amended section 203(a) of the Social Security Act to provide that benefits payable to illegitimate children whose entitlement to benefits derives from section 216(h)(3) of the Act as added by the 1965 Amendments may not exceed the difference between the total amount payable to other persons on the same wage record and the family maximum amount.

The Senate amendment modified section 161 of the House bill (1) to provide that where benefits payable on the effective date of the 1965 Amendments were reduced because such a child became entitled to benefits under the provision added by the 1965 Amendments, the benefits will no longer (after February 1968) be so reduced, and (2) to permit the provisions of present law to continue to apply in the case of children who became entitled under section 216(h)(3) after the effective date of the 1965 Amendments or become so entitled in the future.

The conference agreement incorporates in substance the Senate amendment with respect to those on the benefit rolls in the month of enactment and retains the House provision with respect to children becoming entitled to benefits in the future. It also makes appropriate adjustment in effective dates and qualifications to assure their proper coordination.

#### ADVISORY COUNCIL ON SOCIAL SECURITY

Amendment No. 126: Section 163 of the House bill amended section 706 of the Social Security Act to provide that an Advisory Council on Social Security is to be appointed in February 1969 and in February of every fourth year thereafter (instead of "during 1968 and every fifth year thereafter" as in existing law), and that each such Council is to report no later than January 1 of the year following the year of its appointment. (Section 163 also provided that the Chairman of each such Council is to be appointed by the Secretary; under existing law the Commissioner of Social Security serves as Chairman.)

The Senate amendment modified section 163 of the House bill to provide that the Advisory Council appointed in 1969 and every fourth year thereafter is to be appointed at any time after January 31 rather than "during February" as in the House bill, and will have until the first day of the *second* year following the year of its appointment (as in existing law) to make its report including any interim reports it might have issued.

The House recedes with a technical amendment.

## DISCLOSURE TO COURTS OF THE WHEREABOUTS OF CERTAIN INDIVIDUALS

Amendment Nos. 130 and 131: Section 166 of the House bill provided that, upon request, the Secretary of Health, Education, and Welfare is to furnish an appropriate court with the most recent address of a deserting father (or his employer) if the court requests the information in connection with a support or maintenance order for a child.

The Senate amendment modified section 166 of the House bill so as to assure that information regarding the runaway parent's whereabouts will also be available to courts in interstate support or maintenance proceedings.

The House recedes.

## EXPEDITED BENEFIT PAYMENTS

Amendment No. 141: The Senate amendment added to the House bill a new section (172), amending section 205 of the Social Security Act to provide for expedited payment of claims for monthly benefits on the basis of a written request filed under specified conditions in certain cases where an individual alleges that a benefit due him was not paid.

The House recedes with a technical amendment.

## STUDY OF PROPOSED LEGISLATION

Amendment No. 142: The Senate amendment added to the House bill a new section (173), directing the Secretary of Health, Education, and Welfare to study and report to the Congress, on or before January 1, 1969, the effects (including the savings which might accrue to the Government and the effects on the health professions and on all elements of the drug industry) which might result from enactment of two proposals relating to drugs: (1) a proposal to cover qualified drugs under the supplementary medical insurance program, and (2) a proposal to establish, utilizing a formulary committee, quality and cost control standards for drugs provided under the various Federal-State assistance programs and the hospital insurance program.

The Senate recedes (but a somewhat similar provision is included in section 405 of the bill—see amendment No. 282).

## DISABILITY INSURANCE BENEFITS FOR THE BLIND; DEFINITION OF BLINDNESS

Amendment No. 143: The Senate amendment added to the House bill a new section (174), amending section 223 (and related provisions) of the Social Security Act to provide that for purposes of both disability insurance benefits and the disability freeze the term "disability" includes blindness (as defined by the amendment) regardless of whether or not the individual involved can engage (or is engaging) in substantial gainful activity, and also to provide that an individual whose disability is blindness (as so defined) is insured for disability insurance benefits for any month if he had not less than 6 quarters of coverage before the quarter in which such month occurs; such an individual would continue to receive his disability insurance benefits after attaining age 65. (Existing law generally requires an individual to be fully insured and to have 20 quarters of coverage in the 40

quarters ending with the quarter in which the disability begins, with a limited relaxation of the latter requirement in certain cases involving blindness.) The term "blindness" is redefined to mean central visual acuity of 20/200 or less in the better eye, or visual acuity better than 20/200 if accompanied by a limitation of the field of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees.

The conference agreement contains the liberalized definition of blindness, but omits the other provisions of the Senate amendment.

**CHILD'S INSURANCE BENEFITS WHERE DISABILITY BEGAN BETWEEN 18 AND 22**

Amendment No. 144: The Senate amendment added to the House bill a new section (175), amending section 202 of the Social Security Act to permit a child to become entitled to child's insurance benefits on the basis of a disability which began at any time before age 22 (rather than only on the basis of a disability which began before age 18, as required under present law).

The Senate recedes.

**ATTORNEYS' FEES**

Amendment No. 145: The Senate amendment added to the House bill a new section (176), amending section 206(a) of the Social Security Act to authorize the Secretary of Health, Education, and Welfare to certify payment of attorneys' fees for services rendered in administrative proceedings from past-due benefits of a successful claimant. The amount of the fee so certified in any case would be the smaller of: (A) 25 percent of the total past-due benefits, (B) the amount of the attorney's fee fixed by the Secretary, or (C) the amount agreed upon between the claimant and the attorney.

The House recedes with a technical amendment.

**PROGRAMS OF SERVICES FURNISHED TO FAMILIES WITH DEPENDENT CHILDREN**

Amendments 146, 147, 149, 153, 157, and 166: Section 201 of the House bill amended title IV of the Social Security Act to require that services be provided under State AFDC plans to assure to the maximum extent possible that children and other family members will enter the labor force so that they will become self-sufficient and for the purpose of reducing the number of births out of wedlock including the offer of family planning services in all appropriate cases and otherwise strengthening family life. The House bill also strengthens services relating to the establishment of paternity, securing support and other specific services. (As under present law, States can secure Federal participation in other services if they choose to provide them.)

The Senate amendments generally accept the provisions of the House bill, appropriately adjusted to reflect the transfer of most of the responsibility for employability services to the Secretary of Labor. They also broaden the provision in existing law which requires a program of services for children so as to include other family members under the State plan. The program is to include any needed child-welfare services, and any other services needed for preserving, rehabilitating, reuniting, or strengthening the family and services that

will assist members of the family toward maximum self-support and personal independence.

The House recedes with amendments which are largely of a technical or conforming nature.

**STATE AND LOCAL SINGLE ORGANIZATIONAL UNIT PROVIDING SERVICES UNDER FAMILY PROGRAMS**

Amendments Nos. 154, 155, and 167: Section 402(a)(15) of the Social Security Act under section 201(a)(1) of the House bill, required that where the programs of services furnished to families with dependent children are developed and the services provided by the staff of the State or local agency administering the State AFDC plan, the provision of the services must be the responsibility of a single organizational unit in such State or local agency.

Senate amendments Nos. 154 and 155 modified the provisions of the House bill so as to eliminate the single-unit requirement in the case of a local agency while retaining the requirement in cases where it is the State agency that develops and implements the program of services. Senate amendment No. 167 modified section 201(g) of the House bill to provide that if on enactment the State agency responsible for the State AFDC plan is different from the State agency responsible for the State's child-welfare services plan, the requirement for a single organizational unit would not apply for so long as such agencies are different. (See also Senate amendments Nos. 250 through 253.)

The conference agreement retains the House provision requiring a single organizational unit in a local agency as well as in a State agency; it retains the provisions of Senate amendment No. 167 waiving the single organizational unit requirement in cases where at the time of enactment the two State agencies involved are different, and in addition provides a similar waiver for local agencies in cases where at the time of enactment the two local agencies involved in a political subdivision are different.

**EARNINGS EXEMPTIONS FOR PUBLIC ASSISTANCE RECIPIENTS**

Amendments Nos. 173, 174, 175, and 176: Section 202(b) of the House bill amended section 402(a) of the Social Security Act to require each State under its AFDC plan to exempt all of the earnings of recipients who are under age 16, or who are age 16 to 21 if they are in full-time school attendance, and to exempt the first \$30 of the total of the monthly earnings of the family plus one-third of the remainder of the earnings of the family (including children age 16-21 not in school, the caretaker relative, and any other individual living in the home and taken into account in the determination of need).

Senate amendments Nos. 173 and 174 modified the House bill to provide that all of the earnings of any child receiving AFDC are to be exempted only if the child is a full-time student or a part-time student who is not a full-time employee. Senate amendments Nos. 175 and 176 increased the amount to be exempted from the first \$30 of total monthly earnings plus one-third of the remainder to the first \$50 of total monthly earnings plus one-half of the remainder. The amendments would become effective July 1, 1969, but a State could put them into effect at any time after December 31, 1967.

The House recedes on amendments Nos. 173 and 174, and the Senate recedes on amendments Nos. 175 and 176.

With respect to amendment No. 174, the House recedes with the understanding that in order to qualify for the earnings exemption a part-time student must have a school schedule that is equal to at least one-half of a full-time curriculum.

**EXEMPTION OF SUPPORT CONTRIBUTIONS AS EARNED  
INCOME OF RECIPIENTS OF AFDC**

Amendment No. 178: The Senate amendment added to section 402(a)(8) of the Social Security Act, as amended by section 202 of the House bill, a provision that contributions by an absent parent under a court order for the support of a dependent child receiving AFDC are to be considered as earned income for purposes of determining need and the amount of the assistance payment, subject to the earnings exemptions provided in the bill (see Senate amendments Nos. 173 through 176).

The Senate recedes.

**EXEMPTION OF EARNINGS UNDER OLD AGE ASSISTANCE AND AID  
TO THE PERMANENTLY AND TOTALLY DISABLED**

Amendments Nos. 181, 182, 183, and 184: Senate amendments Nos. 181, 182, and 183 added to section 202 of the House bill provisions amending sections 2(a), 1402(a), and 1602(a) of the Social Security Act to apply the same provisions for exemption of earned income that are incorporated in title IV—i.e., the first \$50 plus one-half of the remainder (under Senate amendments Nos. 175 and 176)—to persons receiving aid or assistance under titles I, XIV, and XVI of the Act. Senate amendment No. 184 modified section 202(d) of the House bill to apply to the determination of need under titles I, X, XIV, XVI, and XIX of the Act the requirement (applicable only to AFDC under the House bill) that States disregard any earned income exemptions which may be provided by other laws.

The Senate recedes on amendments Nos. 181, 182, and 183. The conference agreement contains the provision added by amendment No. 184, with amendments conforming to the Senate recession on the preceding amendments and making the provision effective July 1, 1968.

**UNEMPLOYED FATHERS UNDER AFDC**

Amendments Nos. 186, 189, 190, 191, 193, and 195: Section 407 of the Social Security Act, as amended by section 203(a) of the House bill, defined an unemployed father (for purposes of determining the eligibility of his children for AFDC) so as to exclude fathers who do not have 6 or more quarters of work in any 13-calendar-quarter period ending within one year prior to the application for aid, and fathers who receive (or are qualified to receive) any unemployment compensation under State law.

The Senate amendments removed these exclusions, and restored the provision of present law under which a State may at its option wholly or partly deny AFDC for any month where the father receives unemployment compensation during the month. (The Senate amendments also removed certain work or training requirements in order to conform with amendment No. 198, and modified the effective date provisions of the House bill.)

The Senate recedes (except on the conforming amendments and effective date provisions).

MANDATORY PROVISION OF AID TO CHILDREN IN NEED BECAUSE OF FATHER'S UNEMPLOYMENT

Amendment No. 197: The Senate amendment added to section 203 of the House bill a new subsection (c), amending section 402(a) of the Social Security Act to require an approved State plan for AFDC to provide, effective July 1, 1969, for assistance to children in need because of the unemployment of their father as provided in section 407 of the Act. (Section 407 itself, under both the House bill and Senate amendments Nos. 185 through 196, simply gives the States the option of extending their AFDC programs to include these children.)

The Senate recedes.

WORK INCENTIVE PROGRAMS FOR RECIPIENTS OF AFDC

Amendment No. 198: Section 204 of the House bill provided for a community work and training program for all appropriate adults and older children receiving AFDC, to be administered by the welfare agencies. Participation by an individual in the program would be a condition of that individual's eligibility for aid; and if a relative refused without good cause to participate, aid for the children would be denied or if provided would be limited to protective or vendor payments or payments for foster care.

The Senate amendment substituted for the House bill's community work and training program a new work incentive program to be administered by the Department of Labor for AFDC recipients referred by welfare agencies. Those referred would be assigned to regular employment, institutional or work-experience training, or subsidized special work projects, depending upon their experience and qualifications; certain classes of persons for whom any referral would be inappropriate are specifically enumerated. Persons assigned to regular employment would qualify for the earnings exemption provided by section 202 of the bill; and an incentive training allowance of up to \$20 a week would be provided for those assigned to training programs. If an individual refused without good cause (as determined by the Secretary of Labor) to accept work or training, AFDC payments on behalf of the dependent children to such individual would not terminate, and such individual's need could continue to be taken into account for 60 days if he received counseling during that period (but his grant would have to be paid in the form of protective or vendor payments). Mothers or other relatives could not be required to participate in a work program necessitating their absence from home during times when the children are not attending school. Recipients under the District of Columbia's special program of temporary assistance for unemployed parents would be treated the same as recipients of AFDC under a regular unemployed parents program.

The conference agreement contains the provisions of the Senate amendment, with amendments (1) changing the incentive training allowance from \$20 a week to \$30 a month, (2) decreasing the Federal share from 90 to 80 percent of the costs of carrying out the program, (3) eliminating mothers and other relatives who care for pre-school children or children under 16 attending school from the specified classes of persons for whom referral under the program is declared to be inappropriate, (4) removing the provision which would have

allowed the States, under criteria established by the Secretary, to set up other exclusions (the conferees believe that the language which allows the States to define the term "appropriate" gives sufficient flexibility to the States to determine who should be referred to the work incentive program), and (5) providing that if a relative refuses without good cause to accept work or training, AFDC payments on behalf of the dependent children must be made in the form of protective or vendor payments or payments for foster care.

It is the understanding and clear intent of the conferees that the Department of Labor functions in this program will be carried out through the system of State employment service offices.

The conferees noted that the agreed-upon bill contains provisions requiring the Secretary of Labor to make an annual report (the first one due July 1, 1970) on the program, and that the Secretary of Health, Education, and Welfare is to make similar reports (also beginning on July 1, 1970) on programs of the States furnishing services designed to make it possible for AFDC recipients to take work or training. The conferees intend to watch very closely the administration of this program and the emerging experience gained under it.

At the request of the conferees, the Department of Labor furnished its estimates, based upon the provisions of the bill agreed to by the conference committee, concerning expenditures for work and training activities under the program, the numbers of persons who could be trained and located in employment, and reductions in Federal expenditures under the AFDC program which will result from these activities. These estimates are shown in the following table furnished by the Department of Labor.

WORK-TRAINING IMPACT

Fiscal year	Work-training expenses (millions)	Federal AFDC reduction due to training (millions)	Trainees (thousands) <sup>1</sup>	Full-time job placements after training (thousands)
1968.....	\$30	-----	27	-----
1969.....	<sup>2</sup> 129	-\$11	110	13
1970.....	165	-63	150	55
1971.....	209	-145	190	75
1972.....	308	-257	280	95
Total.....	841	-476	757	238

<sup>1</sup> Does not include recipients on priority III work projects.

<sup>2</sup> Includes \$8,000,000 1-year cost for priority III work projects (for public agencies).

FEDERAL PARTICIPATION IN PAYMENTS FOR FOSTER CARE OF CERTAIN DEPENDENT CHILDREN

Amendments Nos. 200 and 201: Section 205 of the House bill amended title IV of the Social Security Act to authorize Federal participation in payments for foster care of certain dependent children under the AFDC program to the extent that such payments do not exceed an average of \$100 per month, effective with respect to foster care provided after September 1967.

Senate amendment No. 200 reduced this figure to \$50, and Senate amendment No. 201 made the provision effective with respect to foster care provided after December 1967.

The Senate recedes on amendment No. 200, and the House recedes on amendment No. 201.

## EMERGENCY ASSISTANCE FOR CERTAIN NEEDY FAMILIES WITH CHILDREN

Amendments Nos. 207, 208, and 212: Section 206 of the House bill amended title IV of the Social Security Act to provide that the Federal Government will participate in State expenditures under a program for emergency assistance to certain needy families with children which is furnished for not more than 30 days in any 12-month period.

Senate amendment No. 207 extended to 60 days in any 12-month period the period for which Federal sharing as provided in the House bill may be available. Senate amendment No. 208 excluded from such Federal sharing expenditures for children whose destitution or need for living arrangements arose because the child or the caretaker relative refused without good cause to accept employment or training for employment. Senate amendment No. 212 added a provision making it clear that the emergency assistance so authorized may be provided to migrant workers with families in the State or in a part or parts of the State designated by the State.

The Senate recedes on amendment No. 207, and the House recedes on amendments Nos. 208 and 212.

## PROTECTIVE AND VENDOR PAYMENTS WITH RESPECT TO DEPENDENT CHILDREN

Amendment No. 213: Section 207 of the House bill, which authorized Federal sharing under the AFDC program in vendor payments made directly to a person furnishing goods and services as well as in protective payments made to another individual who is interested in or concerned with the welfare of the child or caretaker relative, struck out the provision of present law limiting the number of individuals receiving protective payments who may be included as AFDC recipients for any month to 5 percent of the number of other AFDC recipients for the month.

The Senate amendment retained the limit (which would now apply to vendor payments as well as protective payments) but increased it from 5 to 10 percent. The Senate amendment also eliminated the House provision for the inclusion of protective and vendor payments as AFDC without regard to certain specified conditions in cases where the child or caretaker relative refuses without good cause to accept employment or training.

The conference agreement contains the Senate provision retaining the limit and increasing it from 5 to 10 percent, but excludes from the computation of the 10 percent any individuals with respect to whom protective or vendor payments are required because of refusal without good cause to accept work or training.

## LIMITATION ON NUMBER OF CHILDREN WITH RESPECT TO WHOM FEDERAL PAYMENTS MAY BE MADE

Amendment No. 214: Section 208 of the House bill amended section 403 of the Social Security Act to provide that the number of children receiving AFDC with Federal financial participation in any State for any quarter after 1967 because of the absence of a parent from the home may not represent a proportion of the total under-21 population

of the State at the beginning of the year involved which is larger than the corresponding proportion for the first quarter of 1967.

The Senate amendment removed this limitation from the bill.

The conference agreement includes the House provision, but bases the limitation on the number of children under 18 receiving aid as compared to the total under-18 population of the State instead of taking into account children up to 21, uses the first quarter of 1968 instead of the first quarter of 1967 as the base quarter for purposes of the comparison, and makes the limitation effective after June 30, 1968, instead of after December 31, 1967.

#### FEDERAL PARTICIPATION IN PAYMENTS FOR REPAIRS TO HOMES OWNED BY RECIPIENTS OF AID OR ASSISTANCE

Amendments Nos. 217, 219, and 220: Section 209 of the House bill added to title XI of the Social Security Act a new section 1119, authorizing 50-percent Federal financial participation under specified conditions in expenditures not in excess of \$500 for repairs to a home owned by an aged, blind, or permanently and totally disabled recipient of aid or assistance under title I, X, XIV, or XVI of the Act.

The Senate amendment extended this provision to include the same Federal financial participation in home repair expenditures for recipients of AFDC under title IV of the Act.

The House recedes.

#### USE OF SUBPROFESSIONAL STAFF AND VOLUNTEERS IN PROVIDING SERVICES TO INDIVIDUALS APPLYING FOR AND RECEIVING ASSISTANCE

Amendment No. 221: The Senate amendment added to the House bill a new section (209), amending sections 2, 402, 1002, 1402, 1602, and 1902 of the Social Security Act to require each State plan for public assistance under title I, X, XIV, XVI, and XIX, and part A of title IV, to provide for the training and use of paid subprofessional staff as community aides in the administration of the plans, and for the use of nonpaid or partially-paid volunteers in a social service volunteer program in providing services to recipients and assisting advisory committees. (For a similar requirement under other programs, see Senate amendments Nos. 249 and 271.)

The House recedes with a technical amendment.

#### SIMPLICITY OF ADMINISTRATION

Amendment No. 222: The Senate amendment added to the House bill a new section (210), amending sections 2, 402, 1002, 1402, and 1602 of the Social Security Act to require that a State's methods of administering its State plans approved under titles I, X, XIV, and XVI, and part A of title IV, be such as to assure that eligibility for and the extent of aid or assistance under the plans will be determined in a manner consistent with simplicity of administration and the best interests of the recipients.

The Senate recedes.

LOCATION OF CERTAIN PARENTS WHO DESERT OR ABANDON DEPENDENT CHILDREN; ESTABLISHMENT AND COLLECTION OF LIABILITY TO THE UNITED STATES

Amendment No. 223: The Senate amendment added to the House bill a new section (211), amending title IV of the Social Security Act and chapter 64 of the Internal Revenue Code of 1954 to require that State plans for AFDC provide for the use of certain procedures for obtaining information through the files of the Department of Health, Education, and Welfare and the Internal Revenue Service and for the use of such information in the location of a parent against whom a court order has been issued or a petition filed for an order for the support of his children receiving aid; to require inter-State cooperation in securing compliance with a court order issued against a deserting parent; and to establish a procedure under which a deserting parent could become liable to the United States for the Federal share of the AFDC payments made for his children, or, if lower, for any unpaid portion of such a support order, which would be subject to collection by the Secretary of the Treasury.

The conference agreement contains the provisions of the Senate amendment on obtaining information for use in locating parents and on securing compliance with court support orders, but omits the provisions relating to the establishment and collection of liability to the United States.

PROVISION OF SERVICES BY OTHERS THAN A STATE

Amendment No. 224: The Senate amendment added to the House bill a new section (212), amending sections 3(a), 1003(a), 1403(a), and 1603(a) of the Social Security Act to permit the Secretary to make exceptions from the usual requirement that services (under a State plan approved under title I, X, XIV, or XVI of the Act) be obtained only from the State or local agency administering the plan or from certain other designated State agencies, in order to authorize the purchase of such services from other agencies and persons. (Section 201(d) of the House bill, which was not changed in substance by the Senate amendments, amended section 403(a) of the Act to provide that, except to the extent specified by the Secretary, child-welfare services, family planning services, and family services under a State plan for AFDC approved under title IV of the Act may be obtained from sources other than the designated State and local agencies.)

The House recedes with a technical amendment.

INCREASING INCOME OF RECIPIENTS OF ASSISTANCE

Amendment No. 225: The Senate amendment added to the House bill a new section (213), amending sections 2, 1002, 1402, and 1602 of the Social Security Act (effective July 1, 1968) to require each State to adjust its standards for determining need, the extent of its aid or assistance, and the maximum amount of the aid or assistance payable under its plans approved under titles I, X, XIV, and XVI so that the total aid or assistance and other income per recipient will be no less than \$7.50 per month above the total aid or assistance and other income per recipient under the standards and maximums applicable on December 31, 1966 (or on June 30, 1966, in the case of States with

statutory cost-of-living adjustments). The new section also amended section 402(a) of the Act to require that by July 1, 1969, and annually thereafter, each State (under its plan for AFDC approved under title IV) must adjust its standards so as to reflect current living costs and make proportionate adjustments in any maximums on the amount of aid.

Under the conference substitute, each State (under its plans approved under titles I, X, XIV, and XVI) would be authorized to disregard up to \$7.50 per month (instead of \$5 per month as under present law) of any income of a recipient, in addition to any amounts which the State agency is otherwise authorized to disregard. Under the agreement, the new section 402(a) provision (for adjustments to reflect living costs) would require States to make only one adjustment before July 1, 1969, after which date the provision would not apply.

#### LIMITATION ON FEDERAL PARTICIPATION IN MEDICAL ASSISTANCE

Amendment No. 226: Section 220 of the House bill amended section 1903 of the Social Security Act to limit Federal financial participation in medical assistance in any State to expenditures for families whose income does not exceed a level equal to 133½ percent of the AFDC title IV payment level, or in the alternative (if lower) 133½ percent of the State's per capita income applied to a family of four. (For the period July-December 1968, the percentages are 150, and for the calendar year 1969, 140, in the case of States whose plan was approved before July 26, 1967.)

The Senate amendment modified section 220 of the House bill to set the limiting income level at 150 percent of the old-age assistance (title I or XVI) standard, and reduced the Federal matching share in expenditures for the medically indigent to the square of the fraction equivalent to the Federal medical assistance percentage. (The income limit would be effective July 1, 1968, and the reduced Federal share on July 1, 1969, except in the case of Puerto Rico, Guam, and the Virgin Islands).

The Senate recedes with amendments (1) exempting needy persons receiving or eligible for aid or assistance from the limitation, and (2) eliminating the alternative limitation based on the State's per capita income.

#### MAINTENANCE OF STATE EFFORT

Amendments Nos. 227, 228, 229, and 230: Section 221 of the House bill amended section 1117 of the Social Security Act to give States additional alternatives for measuring State effort under the provisions designed to assure that States maintain their fiscal effort after new Federal funds become available during a period expiring July 1, 1969.

The Senate amendments modified section 221 of the House bill by advancing the expiration date of the section 1117 period to June 30, 1968. They also amended section 1117 so that its provisions are applicable to quarters beginning after June 30, 1966, rather than after December 31, 1965.

The House recedes.

**EXTENSION OF TIME TO MODIFY SECTION 1843 AGREEMENTS TO COVER SOCIAL SECURITY AND RAILROAD RETIREMENT BENEFICIARIES**

Amendment No. 231: The Senate amendment modified section 222 of the House bill (relating to coordination of title XIX and the supplementary medical insurance program) to extend from January 1, 1968, to January 1, 1970, the period within which a State may request a modification of its agreement under section 1843 of the Social Security Act so as to cover under such agreement individuals (otherwise eligible) who are entitled to social security or railroad retirement benefits.

The House recedes.

**REQUIRED SERVICES UNDER STATE MEDICAL ASSISTANCE PLAN**

Amendment No. 233: Section 224 of the House bill amended section 1902(a)(13) of the Social Security Act to permit a State, as an alternative to providing the basic 5 items of services required under present law, to provide any 7 of the first 14 services listed in the law (section 1905(a) of the Act).

The Senate amendment modified section 224 of the House bill to require the States to continue to provide the basic 5 services for all money payment recipients; for the medically indigent, States would be allowed to select either the basic 5 or any 7 out of the first 14 services listed, except that if nursing home or hospital care services are selected a State must also provide physician's services in these institutions. After July 1, 1970, home health services would have to be provided to assistance recipients eligible for skilled nursing home care. The Senate amendment also required a State medical assistance plan to provide for the payment of the reasonable cost (under section 1861(v)(i)) of inpatient hospital services, and, effective July 1, 1970, of extended care (skilled nursing home and intermediate care facility) services and home health care services provided under the plan. (Present law requires the payment of reasonable cost only in the case of inpatient hospital services.)

The conference agreement contains the Senate provisions except those requiring payment of reasonable costs for extended care and home health services. It is the judgment of the managers for the House that adequate information concerning actual costs in this area is not yet available and that the method of making payment for such costs should not be changed until such information has been obtained.

**FREE CHOICE BY INDIVIDUALS ELIGIBLE FOR MEDICAL ASSISTANCE**

Amendments Nos. 234 and 235: Section 227 of the House bill amended section 1902(a) of the Social Security Act to assure that any individual eligible for medical assistance will be free to obtain such assistance from the qualified institution, agency, or person of his choice.

The Senate amendments modified the House provision to include community pharmacies and drugs among the providers and services with respect to which free choice is assured. (See also Senate amendment No. 295.)

The House recedes.

## DIRECT PAYMENTS TO CERTAIN RECIPIENTS OF MEDICAL ASSISTANCE

Amendment No. 236: Section 230 of the House bill amended section 1905(a) of the Social Security Act to permit States to make direct payments to recipients of medical assistance to meet the cost of physicians' services to individuals not receiving cash assistance.

The Senate amendment modified section 230 of the House bill to permit States to include dentists' as well as physicians' services and to include cash assistance recipients as well as medically needy persons, under safeguards prescribed by the Secretary to assure quality and reasonableness of charge.

The conference substitute contains the Senate provision including dentists as well as physicians under the direct payment procedure, but omits the Senate provision extending the procedure to cash assistance recipients and providing for prescribed safeguards.

## OBSERVANCE OF RELIGIOUS BELIEFS

Amendment No. 237: The Senate amendment added to the House bill a new section (232), providing (in a new section 1907 of the Social Security Act) that no individual will be compelled by reason of anything in title XIX to undergo medical screening, examination, diagnosis, treatment, or other care which is contrary to his religious beliefs (other than for the purpose of discovering or preventing the spread of infection or contagious disease or for the purpose of protecting environmental health).

The House recedes.

## COVERAGE UNDER TITLE XIX OF CERTAIN SPOUSES OF INDIVIDUALS RECEIVING CASH WELFARE AID OR ASSISTANCE

Amendment No. 238: The Senate amendment added to the House bill a new section (233), amending section 1905(a) of the Social Security Act to permit a State to make medical assistance available under title XIX to the spouse of a recipient of cash assistance under title I, X, XIV, or XVI if the State determines that the spouse is essential to the well-being of the cash recipient.

The House recedes.

## INSPECTION OF RECORDS AND PREMISES OF PROVIDERS OF CARE AND SERVICES UNDER PUBLIC ASSISTANCE AND MEDICAL ASSISTANCE

Amendment No. 239: The Senate amendment added to the House bill a new section (234), amending sections 2(a), 402(a), 1002(a), 1402(a), 1602(a), and 1902(a) of the Social Security Act to require State plans (approved under titles, I, IV, X, XIV, XVI, and XIX) to provide for agreements with providers of medical care and services giving the General Accounting Office and the Department of Health, Education, and Welfare such access to the records and premises of the providers as may be necessary to assure that proper payments are being made under the plan and otherwise to carry out the purposes of the program involved.

The Senate recedes.

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STANDARDS FOR SKILLED NURSING HOMES FURNISHING SERVICES UNDER  
STATE PLANS APPROVED UNDER TITLE XIX

Amendment No. 240: The Senate amendment added to the House bill a new section (234a), amending section 1902(a) of the Social Security Act to require State plans for medical assistance under title XIX to provide for a regular program of professional medical review and periodic inspection with respect to care furnished title XIX patients in skilled nursing homes and mental hospitals, and to provide that skilled nursing homes receiving payments under title XIX meet certain conditions including requirements pertaining to health care, environment, sanitation, and fire and safety. All persons and institutions providing services under the title XIX plan must agree to keep appropriate records and furnish the State agency with information. Assistance payments with Federal participation could not be made after June 30, 1968, to homes not meeting States' requirements for licensure.

The House recedes with a technical amendment.

COST SHARING AND SIMILAR CHARGES WITH RESPECT TO INPATIENT  
HOSPITAL SERVICES FURNISHED UNDER TITLE XIX

Amendment No. 241: Under existing law States may not impose any deductibles or cost-sharing with respect to inpatient hospital services provided under the medical assistance program. The Senate amendment added to the House bill a new section (234(b)), amending section 1902(a) of the Social Security Act to permit a State to impose deductibles or cost-sharing with respect to inpatient hospital services received by the medically needy (but, as under present law, not with respect to services received by money payment recipients). It also removed the requirement that the full cost of deductibles under the hospital insurance program (title XVIII(A)) be met under the title XIX medical assistance program.

The House recedes with technical amendments.

STATE PLAN REQUIREMENTS REGARDING LICENSING OF ADMINIS-  
TRATORS OF SKILLED NURSING HOMES FURNISHING SERVICES UNDER  
STATE PLANS APPROVED UNDER TITLE XIX

Amendment No. 242: The Senate amendment added to the House bill a new section (234c), amending title XIX of the Social Security Act to require State plans for medical assistance to include a State program which meets specified conditions for the licensing of administrators of nursing homes. Administrators who did not qualify initially would have until July 1, 1972, to qualify, and the States would be required to offer programs of training to assist administrators to qualify.

The House recedes with technical amendments.

UTILIZATION AND COST OF CARE AND SERVICES FURNISHED UNDER  
TITLE XIX

Amendment No. 243: The Senate amendment added to the House bill a new section (234d), amending section 1902(a) of the Social Security Act to require an approved State plan for medical assistance

under title XIX to provide such methods and procedures relating to the utilization of and payment for care and services under the plan as may be necessary to safeguard against unnecessary utilization of such care and services.

The conference agreement contains the Senate provision, and adds a requirement that methods and procedures must also be provided to assure that payments (including payments for any drugs provided under the plan) are not in excess of reasonable charges consistent with efficiency, economy, and quality of care. It is the understanding of the conferees for the House that this provision does not authorize price fixing of drugs by the Secretary of Health, Education, and Welfare.

#### DIFFERENCES IN STANDARDS WITH RESPECT TO INCOME ELIGIBILITY UNDER TITLE XIX

Amendment No. 244: The Senate amendment added to the House bill a new section (234e), amending section 1902(a)(17) of the Act to require a State's plan for medical assistance under title XIX to provide for flexibility in the application of its standards for determining eligibility for and the extent of medical assistance in the case of medically needy individuals, by establishing differences in income levels which recognize variations in shelter costs between urban and rural areas.

The House recedes with an amendment to allow, rather than require, States to establish such differences.

#### CHILD-WELFARE SERVICES APPROPRIATION

Amendments Nos. 245 and 246: Section 420 of the Social Security Act, as added by section 235(c) of the House bill, authorized the appropriation for child-welfare services of \$100,000,000 for the fiscal year ending June 30, 1969, and \$110,000,000 for each fiscal year thereafter.

The Senate amendment increased these authorizations to \$125,000,000 for the fiscal year ending June 30, 1969, and \$160,000,000 for each fiscal year thereafter.

The Senate recedes.

#### DAY CARE STANDARDS APPLICABLE TO AFDC CHILDREN

Amendment No. 247: Section 422(a) of the Social Security Act, as added by section 235(c) of the House bill, included certain requirements with respect to day care services provided under the State's plan for child-welfare services.

The Senate amendment modified the House bill to make these requirements applicable to all day care services provided under title IV of the Act—i.e., to services provided under the AFDC program as well as those provided under the child-welfare services program.

The House recedes.

#### PARENT INVOLVEMENT IN DAY CARE

Amendment No. 248: The Senate amendment modified section 422(a) of the Social Security Act, as added by section 235(c) of the House bill, to include a requirement that a plan for day care services

under title IV of the Social Security Act provide for the development and implementation of arrangements for the more effective involvement of the parent or parents in the appropriate care of the child and the improvement of the health and development of the child.

The House recedes.

#### USE OF SUBPROFESSIONAL STAFF AND VOLUNTEERS

Amendment No. 249: The Senate amendment modified section 422(a) of the Social Security Act, as added by section 235(c) of the House bill, to require that no later than July 1, 1969, a State plan for child-welfare services must provide for the training and effective use of paid subprofessional staff (with particular emphasis on full or part time employment of persons of low income) as community service aides, in the administration of the plan, and for the use of nonpaid or partially paid volunteers in providing services and in assisting advisory committees. (For a similar requirement under other programs, see Senate amendments Nos. 221 and 271.)

The House recedes.

#### MODIFICATION OF SINGLE STATE OR LOCAL AGENCY REQUIREMENTS UNDER CHILD-WELFARE SERVICES PROGRAM

Amendment Nos. 250, 251, and 253: Section 235(d) of the House bill amended section 422(a) of the Social Security Act (as added by section 235(c) of the bill) to require States to furnish child-welfare services to children receiving AFDC through a single organizational unit in the State and local agency; and section 235(e) of the House bill made this amendment effective July 1, 1968.

Senate amendments Nos. 250 and 251 modified section 235(d) of the House bill to maintain the single-unit requirement with respect to the State agency but eliminate it with respect to the local agency. Senate amendment No. 253 modified section 235(e) of the House bill to provide that where different State agencies are administering the plan for child-welfare services and the plan for AFDC as of the date of enactment of the bill, the requirement for administration by the same State agency will not be applicable. (See also discussion of Senate amendment No. 154 *supra*.)

The conference agreement retains the House provision requiring a single organizational unit in a local agency as well as in a State agency; it retains the provisions of Senate amendment No. 253 waiving the single organizational unit requirement in cases where at the time of enactment the two State agencies involved are different, and in addition provides a similar waiver for local agencies in cases where at the time of enactment the two local agencies involved in a political subdivision are different.

#### SEPARATE AUTHORIZATION FOR SOCIAL SECURITY RESEARCH PROGRAM

Amendment No. 254: The Senate amendment modified section 246 of the House bill to provide specifically under section 1110 of the Social Security Act for grants for projects such as those relating to the causes of economic insecurity, risks to family income, costs of health care, and improvements in the social security program, so that there might be separate authorizations for cooperative research and

demonstration grant programs for the Social Security Administration and the Social and Rehabilitation Service.

The Senate recedes.

#### PERMANENT AUTHORITY TO SUPPORT DEMONSTRATION PROJECTS

Amendment No. 255: Section 247 of the House bill (in addition to making the section 1115 program permanent) amended section 1115 of the Social Security Act to increase from \$2 million to \$4 million the annual amount authorized for payments to States to encourage them to develop demonstrations in improved methods of providing services to recipients of aid or assistance under titles I, X, XIV, XVI, and XIX and part A of title IV or in improved methods of administration.

The Senate amendment further increased the annual authorization for this purpose to \$10 million.

The Senate recedes.

#### STUDY TO DETERMINE WAYS OF ASSISTING RECIPIENTS OF AID OR ASSISTANCE IN SECURING PROTECTION OF CERTAIN LAWS

Amendment No. 257: The Senate amendment added to the House bill a new section (250), directing the Secretary of Health, Education, and Welfare to make a study of means for increasing the effectiveness of State welfare agency staffs in helping applicants and recipients secure the full benefit of health, housing, and related laws and make the most effective use of public assistance and other community programs, and to submit his recommendations in a report to the Congress by July 1, 1969. The study is to include the extent to which the various programs may be used to enforce health, housing, and related laws.

The Senate recedes.

#### ASSISTANCE IN THE FORM OF INSTITUTIONAL SERVICES IN INTERMEDIATE CARE FACILITIES

Amendment No. 258: The Senate amendment added to the House bill a new section (251), amending title XI of the Social Security Act by providing (in a new section 1121) for Federal financial participation under titles I, X, XIV, and XVI in vendor payments in behalf of certain aged, blind, or permanently and totally disabled individuals whose condition does not require care in a skilled nursing home or hospital but does require living accommodations and institutional care available through intermediate care facilities. Federal matching would, if a State elects, be at the same rate as for medical assistance under title XIX.

The House recedes with amendments providing that (1) intermediate care facilities must meet the safety and sanitation standards applicable to skilled nursing homes, and (2) Christian Science sanatoria may be considered to be intermediate care facilities with respect to such services. It is the intention of the conferees for the House that providing services in intermediate care facilities is not to be taken as authorizing, or acting as a precedent for, the furnishing of custodial care of a type which merely provides, for welfare recipients in the program specified, room and board with no personal or other services.

AUTHORIZATION OF APPROPRIATIONS FOR MATERNAL AND CHILD HEALTH  
AND CRIPPLED CHILDREN'S SERVICES

Amendments Nos. 259, 260, 261, and 262: The authorizations for appropriations for the maternal and child health and crippled children's services programs under title V of the Social Security Act, as set forth in section 301 of the House bill and under the Senate amendments, are as follows:

Fiscal year ending—	House bill	Senate amendment
June 30, 1970.	\$275,000,000	\$305,000,000
June 30, 1971.	300,000,000	360,000,000
June 30, 1972.	325,000,000	385,000,000
June 30, 1973, and each fiscal year thereafter.	350,000,000	410,000,000

The Senate recedes.

EARMARKING OF CHILD HEALTH APPROPRIATION FOR FAMILY PLANNING  
SERVICES

Amendment No. 263: The Senate amendment added to section 502 of the Social Security Act, as amended by section 301 of the House bill, a provision earmarking for family planning services the following percentages of appropriations made pursuant to section 501 of the act from allotments for maternal and child health services (sec. 503) and from project funds for maternity and infant care (sec. 508) and research (sec. 512):

For the fiscal year ending:	Not less than
June 30, 1969.	6 percent.
June 30, 1970.	15 percent.
June 30, 1971, and thereafter.	20 percent.

The House recedes with an amendment providing simply that the percentage for any fiscal year shall not be less than 6 percent.

PAYMENT OF REASONABLE COST FOR EXTENDED CARE AND HOME HEALTH  
CARE SERVICES UNDER TITLE V PROGRAM

Amendment No. 264: Section 505(a) of the Social Security Act, as amended by section 301 of the House bill, provided for payment of the reasonable cost (as determined in accordance with standards approved by the Secretary and included in the plan) of inpatient hospital services provided under a State's plan for maternal and child health services and services for crippled children.

The Senate amendment provided for payment of the reasonable cost (under section 1861(v)(1)) of inpatient hospital services, and, effective July 1, 1970, of extended care services and home health care services provided under the plan.

The Senate recedes.

VOLUNTARY UTILIZATION OF OPTOMETRIC AND FAMILY PLANNING  
SERVICES

Amendments Nos. 266 and 267: Senate amendment No. 266 added to section 505(a) of the Social Security Act, as amended by section 301 of the House bill, a new paragraph (13) requiring any approved

State plan for maternal and child health and crippled children's services to provide that where payment is authorized for services which an optometrist is licensed to perform and such services are not rendered either in a clinic or another appropriate institution which has no arrangements with optometrists, the individual for whom such payment is authorized may obtain the services from any optometrist licensed to perform them. It also added to section 505(a) a new paragraph (14), requiring any such plan to provide that acceptance of family planning services provided under the plan will be voluntary and not a prerequisite to eligibility for or the receipt of any service under the plan. Senate amendment No. 267 added to section 508(a) of the Act a new sentence providing that, for purposes of special project grants for maternity and infant care under section 508 and research projects relating to maternal and child health services and crippled children's services under section 512, acceptance of family planning services provided under a project is to be voluntary and not a prerequisite to eligibility for or receipt of any service under the project.

The House recedes with a clarifying amendment.

#### GRANTS FOR TRAINING OF PERSONNEL FOR HEALTH CARE SERVICES FOR MOTHERS AND CHILDREN

Amendment No. 268: Section 511 of the Social Security Act, as amended by section 301 of the House bill, provided that in making grants for training of personnel for health care and related services for mothers and children the Secretary is to give priority to programs providing training at the undergraduate level. The Senate amendment substituted "special attention" for "priority".

The House recedes; with the understanding that in making future commitments for programs the emphasis shall be on undergraduate training.

#### OBSERVANCE OF RELIGIOUS BELIEFS

Amendment No. 270: The Senate amendment added to title V of the Social Security Act (as amended by section 301 of the House bill) a new section 515, providing that nothing in title V is to require a State under such title to compel any person to undergo medical screening, examination, diagnosis, treatment, or other care (other than for the purpose of discovering or preventing spread of infection or contagious disease or for protecting environmental health) if such person, or, in the case of a child, his parent or guardian, objects on religious grounds. (See also Senate amendment No. 237.)

The House recedes.

#### USE OF SUBPROFESSIONAL STAFF AND VOLUNTEERS

Amendment No. 271: The Senate amendment added to the House bill a new section (304), amending section 505 of the Social Security Act to require an approved State plan for maternal and child health services and crippled children's services to include, no later than July 1, 1969, provision for the training and effective use of paid subprofessional staff (with particular emphasis on full or part time employment of persons of low income) as community services aides, in the administration of the plan, and for the use of nonpaid or partially paid volunteers in providing services and in assisting advisory com-

mittees. (For a similar requirement under other programs, see Senate amendments Nos. 221 and 249.)

The House recedes.

#### ADMINISTRATION OF THE PROGRAM FOR SERVICES FOR CRIPPLED CHILDREN

Amendment No. 272: The Senate amendment added to the House bill a new section (305), providing for the administration of the program of services for crippled children through the Children's Bureau (in the Department of Health, Education, and Welfare).

The Senate recedes upon the assurance of the Department that the objective of the amendment has been accomplished administratively.

#### EXTENSION OF DUE DATE FOR CHILD MENTAL HEALTH REPORT

Amendment No. 273: The Senate amendment added to the House bill a new section (306), amending section 231(d) of the Social Security Amendments of 1965 to extend from 2 to 3 years after its inauguration the period allowed for completion of the health research and study of resources relating to children's emotional illnesses.

The House recedes with technical amendments.

#### INCENTIVE FOR IMPROVEMENTS IN THE PROVISION OF HEALTH SERVICES

Amendments Nos. 275, 276, 277, 279, 280, and 281: Section 402 of the House bill authorized the Secretary of Health, Education, and Welfare to experiment in reimbursing in a manner mutually agreed upon those organizations and institutions which furnish health services otherwise covered under titles V, XVIII, and XIX of the Social Security Act on a reasonable cost basis, with a view to developing incentives for economy while maintaining or improving quality in the provision of health services.

The Senate amendments modified section 402 of the House bill to include experiments with respect to reimbursement in a manner mutually agreed upon for physicians' services (which would otherwise be covered on a reasonable charge basis).

The House recedes with an amendment providing that the Secretary may not enter into such experiments before receiving the advice of competent specialists with respect to the soundness of such experiments and the adequacy of resources to carry them out; but it is understood that the Department under no circumstances will experiment on the basis of employment of physicians by the Government.

#### STUDIES BY SECRETARY

Amendment No. 282: The Senate amendment added to the House bill a new section (405), authorizing and directing the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare and with other government departments and agencies and appropriate organizations and individuals, to conduct a study and investigation of various proposals for family allowances and child allowances. Consideration would be given to the effect of such proposals on the various Federal-State assistance programs and any

savings which might accrue therefrom, and a report submitted to the President and the Congress by January 15, 1969.

The conference agreement omits the provision for a study by the Secretary of Labor of family and child allowances proposals, and provides instead for a study by the Secretary of Health, Education, and Welfare of (1) the existing retirement test and proposals for its modification (including proposals for increasing old-age insurance benefits on account of delayed retirement), (2) quality and cost standards for drugs for which payments are made under the Act, and (3) drug coverage under supplementary medical insurance (see amendments Nos. 43 and 142). The Secretary would report on this study by January 1, 1969.

**INCOME TAX DEDUCTION OF EXPENSES FOR MEDICAL CARE OF  
INDIVIDUALS WHO HAVE ATTAINED AGE 65**

Amendment No. 284: The Senate amendment added to the House bill a new section (501), amending section 213 of the Internal Revenue Code of 1954 to restore in substance the pre-1965-Amendments rule for computing the amount of the income tax deduction for medical and related expenses in the case of a taxpayer who has attained age 65 or whose spouse, parent, or spouse's parent has attained age 65. Under present law, a taxpayer's medical expenses are deductible only to the extent that they exceed 3 percent of his adjusted gross income, and the cost of medicine and drugs may be taken into account only to the extent that it exceeds 1 percent of his adjusted gross income, regardless of the age of the taxpayer or of any other member of his family; under the Senate amendment (effective for taxable years beginning after 1966) the 3-percent and 1-percent limitations will not apply to expenses paid for the care of the taxpayer and his spouse if either of them has attained age 65 by the end of the year, or to expenses paid for the care of a dependent age 65 or over who is the father or mother of either the taxpayer or his spouse. (The special \$150 allowance for insurance, added in 1965, is continued.)

The Senate recedes.

**TAX-EXEMPT STATUS OF CERTAIN HOSPITAL SERVICE ORGANIZATIONS**

Amendment No. 285: The Senate amendment added to the House bill a new section (502), amending section 501 of the Internal Revenue Code of 1954 to provide that an organization is to be treated as a tax-exempt hospital for all of the purposes of the Code if it is organized and operated on a cooperative basis (with all of its capital stock, if any, owned by its patrons) exclusively to perform services for tax-exempt private or public hospitals and such services are of a type which would constitute an integral part of the exempt activities of a tax-exempt hospital if they were performed by the hospital on its own behalf.

The Senate recedes.

EXTENSION OF PERIOD FOR FILING APPLICATION FOR EXEMPTION BY  
MEMBERS OF RELIGIOUS GROUPS OPPOSED TO INSURANCE

Amendment No. 286: The Senate amendment added to the House bill a new section (503), amending section 1402(h) of the Internal Revenue Code of 1954 to provide additional time for persons who have conscientious objections to public and private insurance (including social security), by reason of their adherence to the established tenets or teachings of the religious sect of which they are members, to apply for and be granted exemption from the social security self-employment tax. Under the amendment, an individual may file application for exemption at any time on or before December 31, 1968, if he has self-employment income for any taxable year ending before December 31, 1967. (Under present law, the comparable filing date was April 15, 1966, for taxable years ending before December 31, 1965.) If an individual first receives self-employment income in a taxable year ending on or after December 31, 1967, the application would be timely (as under present law) if filed by the due date for the income tax return for that year; it would also be timely if filed within 3 months following the month in which the individual is first notified by the Internal Revenue Service that a timely application has not been filed.

The House recedes with a technical amendment.

COVERAGE STATUS OF FISHERMEN AND TRUCK LOADERS AND UNLOADERS

Amendment No. 287: The Senate amendment added to the House bill a new section (504), amending section 210 of the Social Security Act and sections 3121 and 3401 of the Internal Revenue Code of 1954 to clarify the employee status of fishermen and truck loaders and unloaders for purposes of social security coverage and income tax withholding. Generally the owner of a fishing boat is to be classified as the employer of the boat's crew members although in certain cases the person leasing or chartering the boat will be considered their employer. In the case of truck loaders and unloaders, the driver of the truck will generally be considered the employer, unless he is an employee of another person, in which event his employer will be considered the employer of the truck loaders and unloaders; an exception is provided where other persons are recognized as the employer. For benefit purposes these provisions were made retroactive so as to preserve the benefit rights of individuals who in the past have been considered by the Social Security Administration and the Internal Revenue Service to be performing services as employees; while for purposes of tax liability (in instances where this liability does not now exist) they would apply prospectively only.

The Senate recedes.

REFUND OF CERTAIN OVERPAYMENTS BY EMPLOYEES OF HOSPITAL  
INSURANCE TAX

Amendment No. 288: The Senate amendment added to the House bill a new section (505), amending various provisions of the Internal Revenue Code of 1954 so as to provide that a railroad employee who has wages or self-employment income under the social security pro-

gram as well as his compensation under the railroad retirement program, and who makes contributions for hospital insurance under the two programs on an aggregate amount (compensation, wages, and self-employment income) in excess of the current earnings base, may obtain a refund of his excess contributions (as he would under existing law if each of his jobs were under the social security program) by treating his railroad compensation as wages or self-employment income for hospital insurance tax purposes.

The House recedes with a technical amendment.

#### JOINT EMPLOYEES OF CERTAIN TAX-EXEMPT ORGANIZATIONS

Amendment No. 289: The Senate amendment added to the House bill a new section (506) to deal with situations where an individual is an employee of two or more tax-exempt organizations providing hospital or medical insurance and where one of the organizations pays all of the wages to the employee for his work for both organizations. In such cases the organization which pays the wages would, with the consent of the other organization, be treated as the employer of the individual with respect to his joint employment.

The Senate recedes.

#### EXTENSION OF TIME TO PROVIDE ASSISTANCE FOR UNITED STATES CITIZENS RETURNED FROM FOREIGN COUNTRIES

Amendment No. 290: The Senate amendment added to the House bill a new section (507), amending section 1113 of the Social Security Act to extend from June 30, 1968, to June 30, 1969, the authorization of temporary assistance to United States citizens returned from a foreign country because of destitution or illness or because of war, invasion, or similar crisis.

The House recedes with a technical amendment.

#### SOCIAL SECURITY BENEFIT INCREASE NOT TO BE CONSIDERED INCOME FOR VETERANS' PENSION PURPOSES

Amendment No. 291: The Senate amendment added to the House bill a new section (508), amending sections 415(g) and 503 of title 38 of the United States Code to provide that any increase in monthly social security benefits resulting from the enactment of the bill is not to be counted as income for purposes of determining eligibility for, or the amount of, certain veterans' benefits in the case of an individual who is entitled to monthly social security benefits for the month of the enactment of the bill.

The Senate recedes.

#### SECOND LIBERTY BOND ACT

Amendment No. 292: The Senate amendment added to the House bill a new section (509), amending the Second Liberty Bond Act to provide that the rates of interest or investment yield on U.S. savings bonds and U.S. savings and retirement bonds issued after 1967 are to be comparable to the going rate on other U.S. Government obligations of similar maturity.

The Senate recedes.

## FOSTER CARE FOR CHILDREN

Amendment No. 293: The Senate amendment added to the House bill a new section (510), amending title V of the Social Security Act to establish a new program of Federal grants to States for the provision of financial assistance and needed welfare services to children under foster care in foster family homes and institutions. The Secretary was authorized to make payments to any State with a plan containing specified provisions and approved by him in amounts equal to the State's Federal percentage of the total amount expended for foster care under the plan up to the product of \$50 per month times the number of children in foster care during the month, plus 75 percent for personnel providing services for children in foster care and training of such personnel, and 50 percent for administrative expense.

The Senate recedes.

**EXCLUSION FROM DEFINITION OF WAGES OF CERTAIN RETIREMENT,  
ETC., PAYMENTS UNDER EMPLOYER-ESTABLISHED PLANS**

Amendment No. 294: The Senate amendment added to the House bill a new section (511) which amends section 3121(a) and 3306(b) of the Internal Revenue Code of 1954 and section 209 of the Social Security Act to provide, for purposes of the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and the Social Security Act, that the term "wages" does not include any payment or series of payments by an employer to an employee or any of his dependents which is made or begins (1) upon the retirement, death, or disability of the employee, and (2) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees, or for such employees or class or classes of employees and their dependents.

The House recedes with an amendment which eliminates from the exception to the definition of wages any payments which would have been made if the employee's employment relationship had not been terminated because of death, retirement for disability, or retirement for age, and which makes various technical and clarifying changes.

**DRUG QUALITY AND COST**

Amendment No. 295: The Senate amendment added to the House bill a new title VI, consisting of sections 601, 602, and 603. Section 601 amended title XI of the Social Security Act to provide, through a Federally-established formulary committee, for the compilation and publication of a Formulary of the United States and for the determination of those drugs which are appropriate for Federal payment or matching under the various programs contained in the Act. Section 602 (effective July 1, 1970) amended section 1903 of the Act to limit Federal matching for drug costs under the medical assistance program to the "reasonable charge" for "qualified drugs" as determined under the formulary provisions (exempting these drugs furnished by hospitals using approved formulary systems, and drugs furnished by their generic names pursuant to physicians' handwritten prescriptions); it also amended section 1861(v) of the Act to limit Federal payments for drugs furnished to individuals under the health

insurance program in the same way. Section 603 amended the Federal Food, Drug, and Cosmetic Act to provide for the registration numbers assigned to drug manufacturers under existing law to appear on the drug labels of products of such manufacturers.

The Senate recedes.

W. D. MILLS,  
CECIL R. KING,  
HALE BOGGS,  
FRANK M. KARSTEN,  
A. SYDNEY HERLONG, Jr.,  
JOHN W. BYRNES,  
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*Managers on the Part of the House.*







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